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Daily Report

East Asia

FBIS-EAS-96-136
Monday
15 July 1996

Daily Report
East Asia

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NOTICE: An * indicates material not disseminated in electronic form.

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Cambodia Gets Global Pledges of $500 Million in Economic Aid

OW1207140896 Tokyo KYODO in English
1258 GMT 12 Jul 96

[FBIS Transcribed Text] Tokyo, July 12 KYODO — Cambodia received pledges Friday of a total of 500 million dollars in fresh economic aid from international donors for its efforts to reconstruct itself.

Sixteen donor nations and five international lending institutions made the pledges at the close of a two-day meeting in Tokyo on economic assistance to Cambodia.

Cambodia welcomed the new financial commitments and promised to use the aid effectively, a Japanese Foreign Ministry official quoted Cambodia's First Prime Minister Prince Norodom Ranariddh as saying at the end of the meeting.

The international conference, co-chaired by the Japanese government and the World Bank, was held to discuss Phnom Penh's request for an additional 940 million dollars for economic reconstruction over the next three years.

The consultative group is the successor to the International Committee on the Reconstruction of Cambodia, which organized pledges of support for Cambodia after a general election there in May 1993 under UN supervision.

Of the 500 million dollars to be used for this year alone, Japan's pledge of 93 million dollars was the largest, the official said.

The Japanese package consists of up to 10 billion yen in economic aid (about 91 million dollars) and 2.5 million dollars to help clear land mines in Cambodia, according to the official.

Of the 10 billion yen, up to 8 billion yen will be extended in grants and the remaining 2 billion yen in technical assistance, the official said.

The 2.5 million dollars will be part of assistance from the international community totaling 16 million dollars for 1996-1997 for the clearing of land mines still buried in Cambodia's countryside that kill and maim thousands every year.

At the donors' meeting, Japan also revealed a plan to mull extending low-interest, yen-denominated official credits to Cambodia in the future, the official said.

Japan was followed by France, the United States, Australia and Germany in terms of the volume of aid to Cambodia for this year, the official said

Major donor institutions include the Asian Development Bank with 107 million dollars and the World Bank with 7.5 million dollars, the official said.

The World Bank was recommending international pledges of 500 million dollars a year for 1996-1998, while Cambodia was asking for up to 550 million dollars for this year.

"Cambodia generally succeeded in clearing its fund-raising target," the official said.

Prince Ranariddh, who led the Cambodian delegation along with Second Prime Minister Hun Sen, was quoted as telling the final part of the two-day session that the level of financial assistance from the world donors represented a vote of confidence in Phnom Penh's reform program.

While acknowledging the process of democratization is not necessarily progressing smoothly in Cambodia, he also reiterated that the current Cambodian government is deeply committed to democracy.

At a news conference later, Keat Chhon, Cambodia's senior minister in charge of rehabilitation and development and minister of economy and finance, said Cambodia has obligations to taxpayers in the donor nations to use the aid in an appropriate manner.

Javad Shirazi, a senior official of the World Bank, praised Cambodia's impressive economic performance in 1995, noting growth accelerated to about 7.5 percent and inflation was kept under 5 percent.

Shirazi jointly chaired the donors' meeting with Norio Hattori, deputy director general of the Japanese Foreign Ministry's Economic Cooperation Bureau.

Hattori told reporters that the pledges of 500 million dollars in economic aid were a reflection of the world donors' high expectations for Cambodia, adding that Phnom Penh will use the money effectively and efficiently.

Prime Minister Ryutaro Hashimoto told the two Cambodian premiers in talks Friday evening that Japan plans to make private exports to Cambodia eligible for export insurance, which had been denied previously due to political instability there.

"We hope to contribute to the reconstruction of Cambodia by expanding the coverage of our trade insurance," a Japanese official quoted Hashimoto as saying.

Prince Ranariddh reiterated that he would cooperate with Hun Sen and promised that government business will not be disrupted.

He expressed confidence that Cambodia's planned accession to the Association of Southeast Asian Nations

Japan

Japan: MITI Official Says U.S. Chip Concessions 'Indispensable'

OW1207141096 Tokyo KYODO in English 1335 GMT 12 Jul 96

[FBIS Transcribed Text] Christchurch, New Zealand, July 12 KYODO — A senior official of Japan's Ministry of International Trade and Industry (MITI) said Friday it is "indispensable" that the United States make concessions to Japan in order to resolve a semiconductor trade dispute.

The remark precedes Japan-U.S. subcabinet-level talks, which are to open here Saturday.

The MITI official told reporters, "We're ready to respond to the United States if the U.S. changes the substance of its case."

"Tokyo has already made concessions to Washington by proposing a multilateral governmental forum to deal with semiconductor trade."

He added the U.S. should voluntarily make concessions if it wants to bring the issue to a settlement by the end of this month.

The MITI official's comments are apparently aimed at damping speculation that Japan will come up with a new concessionary proposal at the vice ministerial talks Saturday and Sunday, and subsequent talks between MITI Minister Shumpei Tsukahara and Acting U.S. Trade Representative Charlene Barshefsky on Monday.

Japan and the U.S. agreed to settle the microchip trade issue by July 31 when Japanese Prime Minister Ryuzaro Hashimoto held talks with U.S. President Bill Clinton just before the summit of seven industrialized nations in Lyons, France, last month.

During working-level consultations conducted up to Wednesday, the U.S. has held fast to its position that the share of foreign computer chips in the Japanese market should be monitored, although the foreign share in the Japanese market has topped 30 percent, compared with the targeted 20 percent in the 1991 Japan-U.S. microchip trade accord.

But Japan sees no need for such monitoring, maintaining that the bilateral trade accord should be abolished upon its expiration on July 31. It says the accord should be replaced by a global agreement among governments, with its role limited to protecting copyrights, unifying standards and other cooperative aspects rather than ensuring market access.

At the subcabinet-level talks, Japan will be represented by MITI Vice Minister Yoshihiro Sakamoto and the U.S. by Ira Shapiro, general counsel at the office of the U.S. Trade Representative.

Tsukahara will confer with Barshefsky on Monday, the first day of a trade ministers meeting of the Asia-Pacific Economic Cooperation (APEC) forum.

Japan: MITI To Tolerate U.S. Monitoring Chip Market

OW1407113296 Tokyo NIHON KEIZAI SHIMBUN in Japanese 12 Jul 96 Morning Edition p 1

[FBIS Translated Text] In connection with the extension of the Japan-U.S. semiconductor agreement, the Ministry of International Trade and Industry [MITI] has firmed up a final proposal with the aim of settling the problem by the end of July. Under the proposal, Japan will accept the U.S. Government's continued monitoring of the U.S. share of the Japanese semiconductor market after the expiration of the current agreement. In addition, the proposal notes that if such issues as a drop in the U.S. share in the market are difficult to solve at the private-sector level, they will be discussed at the government level, thus virtually indicating Japan's stand of accepting the U.S.-proposal to hold a meeting to check on the market. However, the Japanese Government will avoid setting numerical targets and making pledges to promote imports. MITI's proposal is modelled after last year's bilateral auto agreement, thus indicating a stand of paying consideration to the U.S. call for market monitoring, which is the virtual maintenance of the current agreement, while firmly maintaining World Trade Organization (WTO) principles.

Both the Japanese and U.S. Governments will begin last-ditch negotiations of vice ministers and ministers in New Zealand starting 13 July. The two nations agreed at a recent summit to seek an agreement by late July. MITI finalized the proposal in an effort to promote the U.S. concession and provide a breakthrough in the deadlocked negotiations.

MITI's final plan is premised on the two countries' observance of WTO rules, which reject managed trade. Therefore, as for the U.S. Government's and industries' checking on the U.S.-made semiconductor share in Japan, Japan will abolish such a checkup on the grounds that "an attitude of classifying semiconductors by the nationality of manufacturer runs counter to the WTO."

However, Japan will tolerate the U.S. Government's continuation of its exclusive investigation, such as hearing from U.S. makers. The foreign company-made semiconductor share in Japan already exceeds 20 percent, the target of the current agreement, and it reached 31 percent in the January-March period this year. However, if the United States concludes that there are problems in the Japanese market, such as a decline in its share, they will be brought to a proposed world semiconductor meeting of private sectors. If the problems are not solved at that meeting, an intergovernment meeting of major countries will discuss them, according to the final proposal.

Japan will firmly maintain its stand of refusing to intervene in the market by taking such action as setting up numerical targets and making pledges to promote imports. This position is aimed at protecting the United States from taking sanction measures if its market share should drop by saying that Japan "violates an agreement."

The United States maintains that monitoring the market to measure its market share is indispensable. However, a high-ranking U.S. official has shown a flexible position on setting up a target share and calls for setting the result of the share checkup as a subject of intergovernment discussions. However, the official points out that, "it is not necessary for Japan to jointly check the market with the United States." For that reason, MITI expects the United States to accept its plan since it allows for continued monitoring and provides channels to initiate discussions in the event of a dispute.

Moreover, in the proposal, MITI contends that "reaching an agreement on industrial cooperation between private sectors is prerequisite to an agreement between the two governments," thus urging the United States to come to a private sector-level agreement.

Japan: Top Negotiators Meet U.S. Counterparts for Microchip Talks

OW1307015996 Tokyo KYODO in English 0127 GMT 13 Jul 96

[FBIS Transcribed Text] Christchurch, New Zealand, July 13 KYODO — Senior Japanese and U.S. trade negotiators met Saturday in Christchurch, New Zealand, to discuss in detail a bilateral dispute surrounding the 1991 Japan-U.S. semiconductor agreement.

Japan remained opposed to any government involvement in ensuring foreign access to the Japanese market after the current bilateral agreement expires July 31, sources close to the meeting said.

The United States is urging the two governments to continue surveying and monitoring foreign market share in Japan after the expiry of the pact, fearing that the share would otherwise decline from the current level of more than 30 percent.

While protesting the request, which it says would lead to managed trade, Japan is proposing a global government framework among Japan, the U.S., the European Union and possibly other economies to discuss chip trade issues other than market access.

Japan is poised to seek a compromise from the U.S. side in future talks, the sources said.

The meeting was attended by Yoshihiro Sakamoto, vice minister for international affairs at the Ministry of International Trade and Industry (MITI), and Ira Shapiro, senior counsel and negotiator at the office of the U.S. Trade Representative.

The two are in Christchurch for a meeting of trade ministers of the Asia-Pacific Economic Cooperation (APEC) forum scheduled for Monday and Tuesday. They will meet again Sunday, the sources said.

MITI minister Shumpei Tsukahara and acting U.S. Trade Representative Charlene Barshefsky will also hold talks in the wings of the APEC ministerial meeting.

Japan: Senior-Level Talks Resume With U.S. on Microchips

OW1407051796 Tokyo KYODO in English 0500 GMT 14 Jul 96

[FBIS Transcribed Text] Christchurch, New zealand, July 14 KYODO — Senior Japanese and U.S. trade negotiators met again on Sunday in Christchurch, New Zealand, to try to resolve their dispute surrounding the 1991 Japan-U.S. semiconductor agreement.

The talks were held between Yoshihiro Sakamoto, vice minister for international affairs at the Ministry of International Trade and Industry (MITI), and Ira Shapiro, senior counsel and negotiator at the office of the U.S. Trade Representative.

Their discussion carried over from Saturday's [13 July] meeting in which no progress was made on the dispute.

Japan remains opposed to any government involvement in ensuring foreign access to the Japanese market after the current bilateral agreement expires at the end of July.

The United States is urging the two governments to continue to monitor foreign market share in Japan after the expiry of the agreement, fearing that the share might otherwise decline from the current level of more than 30 percent.

MITI Minister Shumpei Tsukahara and acting U.S. Trade Representative Charlene Barshefsky will also meet Monday to discuss the issue in the wings of a two-day meeting of trade ministers of the Asia-Pacific Economic Cooperation (APEC) forum opening in Christchurch on Monday.

Japan: First Day of Microchip Talks With U.S. Finishes

OW1407092996 Tokyo KYODO in English 0910 GMT 14 Jul 96

[FBIS Transcribed Text] Christchurch, New Zealand, July 14 KYODO — Japan and the United States remained apart after two days of senior-level talks in Christchurch, New Zealand, on a bilateral semiconductor trade dispute.

The talks were held between Yoshihiro Sakamoto, vice minister for international affairs at the Ministry of International Trade and Industry (MITI), and Ira Shapiro, senior counsel and negotiator at the office of the U.S. Trade Representative.

In the talks, the U.S. called for a new bilateral microchip accord to replace the current pact, which effectively sets aside at least 20 percent of the Japanese market for foreign chips, Japanese sources close to the talks said.

Foreign market share in Japan is now greater than 30 percent.

The U.S. also argued for continuing market share surveys by the two governments to monitor the foreign presence in Japan, the sources said.

Japan remained opposed to any government involvement in ensuring foreign access to the Japanese market after the pact expires July 31, they said.

In Sunday's talks, which ended after only two hours, the officials discussed Japan's proposal to replace the bilateral accord with a multilateral forum involving Japan, the U.S., the European Union and possibly other economies to discuss chip trade issues, they said.

MITI head Shumpei Tsukahara and acting U.S. Trade Representative Charlene Barshefsky will hold talks Monday on the issue in the wings of a two-day meeting of trade ministers of the Asia-Pacific Economic Cooperation (APEC) forum opening in Christchurch on Monday.

However, the ministerial meeting is also expected to face difficulties in resolving the dispute, the sources said.

Shortly before the summit in Lyons, France, in late June, Prime Minister Ryutaro Hashimoto and U.S. President Bill Clinton agreed to conclude the semiconductor trade dispute by July 31, when the 1991 accord expires.

Japan: 'Sources' Say No Concessions in Microchip Talks With U.S.

OW1507063096 Tokyo KYODO in English 0556 GMT 15 Jul 96

[FBIS Transcribed Text] Christchurch, New Zealand, July 15 KYODO — Japan's International Trade and Industry Minister Shumpei Tsukahara and acting U.S. Trade Representative Charlene Barshefsky failed to bridge their differences in microchip talks held here Monday, conference sources said Monday.

Neither side offered concessions on the dispute over whether further action is needed in the microchip sector after the bilateral semiconductor pact expires July 31, the sources said.

After the meeting, however, Tsukahara indicated he may offer a new proposal Tuesday [16 July] when talks are to resume. Tsukahara has rejected a U.S. proposal that a new bilateral microchip accord replace the current pact under which foreign companies are ensured at least 20 percent of the Japanese chip market.

Japan argues that its government should not play a role in setting aside a certain share of its market for foreigners after the current pact expires at the end of the month.

The two countries made no progress in the series of working-level and vice ministerial talks which ended Sunday.

Tsukahara and Barshefsky met while attending a gathering of trade ministers from the Asia-Pacific economic cooperation forum held in Christchurch.

At the Group of Seven (G-7) summit in Lyons, France, last month, Japanese Prime Minister Ryutaro Hashimoto and U.S. President Bill Clinton pledged to resolve the dispute, along with the insurance issue, by the end of July.

Japan: Tokyo, Washington Remain Apart on Microchip Trade Accord

OW1507082696 Tokyo KYODO in English 0722 GMT 15 Jul 96

[FBIS Transcribed Text] Tokyo, July 15 KYODO — Japan and the United States still remain widely apart on the Semiconductor Trade Accord, Tomio Tsutsumi, vice minister of international trade and industry, said Monday.

Tsutsumi said a U.S. proposal introduced at ministerial talks in Christchurch, New Zealand, did not satisfy points raised by Japan.

Details of the U.S. proposal were not immediately available.

Tsutsumi said the two countries will hold another round of ministerial and subcabinet-level talks in an effort to straighten out differences.

Japan: U.S. Chip Proposal Unacceptable; Tokyo To Make 'Overture'

OW1507095596 Tokyo KYODO in English 0906 GMT 15 Jul 96

[FBIS Transcribed Text] Tokyo, July 15 KYODO — Japan will make a new proposal Tuesday in a bid to resolve the microchips dispute as it could not accept Monday's U.S. proposal, a government spokesman said.

"The U.S. proposal includes points we cannot accept. Tomorrow Japan will make an overture," Deputy Chief Cabinet Secretary Kazo Watanabe told a press conference.

Watanabe declined to give details, saying discussions on the U.S. proposal were under way.

But he said there are no changes in Japan's stance to seek a solution to the trade row by the end of this month.

This was agreed upon between Prime Minister Ryutaro Hashimoto and U.S. President Bill Clinton in their bilateral meeting June 27 in Lyons, France, shortly before a summit of the Group of Seven (G-7) industrialized nations, Watanabe said.

Shumpei Tsukahara, Japan's international trade and industry minister and Charlene Barshefsky, acting U.S. trade representative failed to bridge their differences in talks held Monday in Christchurch, New Zealand. Their talks will resume Tuesday.

The U.S. wants to renew the current bilateral microchip accord with a new pact. But Japan argues that its government should no longer play a role in setting aside a share of its market for foreigners.

Under the current pact that expires at the end of the month, foreign companies are ensured at least 20 percent of the Japanese chip market.

Tokyo has been proposing a multilateral government forum to include Japan, the U.S., the European Union and possibly other nations to discuss issues surrounding the chip trade such as tariffs.

Japan: MITI Rebuts U.S. Claim on Retail Store Law in Film Talks

OW1307083496 Tokyo NIHON KEIZAI SHIMBUN in Japanese 12 Jul 96 Morning Edition p 5

[FBIS Translated Text] "That is an attempt to switch the subject," the Ministry of International Trade and Industry [MITI] said in an open expression of its displeasure about assertions the United States has made in bilateral talks on the Japanese photo film market, which began on 10 July at the World Trade Organization (WTO).

In the talks, Washington has demanded the review of Japan's Large-Scale Retail Store Law, claiming that "restrictions stipulated in the law on the opening of large-scale stores violate the WTO agreement on service trade." However, MITI has rebutted, saying: "The law has nothing to do with the film issue."

During an 11 July news conference, MITI Vice Minister Tomio Tsutsumi said: "The gaps between the two countries' views are too wide." In this way, he questioned the appropriateness of the U.S. arguments in the WTO talks, whose topic is limited only to the film dispute.

In future discussions, MITI intends to express disagreement with the U.S. claim that the Large-Scale Retail Store Law is an obstacle to the expansion of the sales of foreign products.

MITI had been worried that "Washington may use the law as a tool to make the Japanese Government, in particular MITI, sit down at the negotiating table." The ministry now appears to be at a loss because the United States, as predicted, has focused the target of its attack on the law.

Tokyo Ponders United Airlines Opposing Sanctions

OW1407113596 Tokyo NIHON KEIZAI SHIMBUN in Japanese 13 Jul 96 Morning Edition p 8

[FBIS Translated Text] United Airlines [UA] of the United States has submitted to the U.S. Department of Transportation [DOT] a written opinion opposing Northwest Airlines' anti-Japan sanctions proposal. The Japanese Ministry of Transport [MOT] and airlines are wondering what UA's true intentions are because the company has always been one of the most radical players in the Japan-U.S. aviation dispute.

Earlier, Japan Airlines [JAL] demanded the U.S. DOT not comply with Northwest's request. If the DOT decides to impose sanctions against Japan according to the Northwest demand, JAL is expected to lose two routes, including the Tokyo-Sao Paulo route. In that case, the Japanese MOT is expected to take relevant counteractions against U.S. airlines.

In analyzing UA's mysterious action, a major airlines official said, "that is because Japan's counteraction is highly likely to be aimed at UA." A MOT official noted, "stagnant passenger talks are moving toward early resumption, and, as a pioneer, UA may want to delay the talks to benefit newcomers."

The dispute was triggered by the Japanese Government's decision to suspend approval of the Osaka-Jakarta route proposed by Northwest. Commenting on this, UA said, "Japan's approval will not unfreeze the route because the Indonesian Government has not approved it either."

Tokyo Praises U.S. Senate Panel's Decision on Funding Bill

OW1507110696 Tokyo KYODO in English 1040 GMT 15 Jul 96

[FBIS Transcribed Text] Tokyo, July 15 KYODO — Japan welcomes a U.S. Senate panel's passage last week of a bill without a section that would have in effect barred a federal research body from buying a supercomputer from NEC Corp. of Japan, a senior foreign ministry official said Monday.

Vice Foreign Minister Sadayuki Hayashi told a news conference he was relieved when the Senate appropriations committee passed a 1997 appropriations bill for the National Science Foundation without the section.

"We had been worried since the house passed related legislation...It was very good when the Senate showed the position that such a bill would constitute a violation of WTO (World Trade Organization) rules," the top career diplomat said.

Hayashi added that Tokyo will continue to closely watch U.S. Legislative moves on the matter.

Late last month, the U.S. House of Representatives passed a similar bill with a section that would in effect have barred the foundation from purchasing an NEC supercomputer.

The House version would prohibit salary payments to personnel who approve a contract for buying any supercomputer determined by the Commerce Department as being sold below fair market price, often referred to as dumping.

Although the bill does not specifically mention NEC, the department has repeatedly issued warnings to the Japanese company over dumping. The department has also been tacitly pressing the foundation to voluntarily drop a supercomputer contract it awarded to NEC in May.

NEC has denied the allegations of dumping.

Tokyo Expresses Concern Over U.S. Anti-Cuba Law

OW1507110596 Tokyo KYODO in English 1024 GMT 15 Jul 96

[FBIS Transcribed Text] Tokyo, July 15 KYODO — Japan is concerned about U.S. legislation punishing foreign investors for doing business with Cuba, a senior foreign ministry official said Monday.

Vice Foreign Minister Sadayuki Hayashi cited free trade principles under the World Trade Organization (WTO) as cause for concern.

"As the European Union and Canada point out, the Helms-Burton Act could run counter to the WTO's current rules," Hayashi told a news conference.

The U.S. law was passed after Cuba shot down two U.S. civilian aircraft in February, killing four people, claiming they had intruded in its airspace. The U.S. says the planes, operated by cuban exiles in Miami, were flying over international waters.

The EU warned retaliation is likely unless U.S. President Bill Clinton waives part of the anti-cuba legislation. Canada and Mexico, which have close trade relations with Cuba, have already drafted retaliatory laws.

Japan: Ikeda Says Logistics Support for USF in Japan Constitutional

OW1407113896 Tokyo ASAHI SHIMBUN in Japanese 13 Jul 96 Morning Edition p 2

[FBIS Translated Text] Foreign Minister Yukihiko Ikeda noted logistics support for U.S. Forces [USF] in case of an emergency in Japan's neighboring regions does not contradict the constitutional ban on the use of collective defense rights as long as it is made inside Japan. In a speech made in Tokyo on 12 July, Ikeda stated: "I do not see any constitutional problems in such services as water supply and medical assistance in Japan."

Japan: DA Chief Usui Meets With Lake on Okinawa Base Issue

OW1507043096 Tokyo KYODO in English 0351 GMT 15 Jul 96

[FBIS Transcribed Text] Tokyo, July 15 KYODO — Defense Agency [DA] Chief Hideo Usui on Monday sought U.S. cooperation in downsizing the U.S. military structure in Japan's southernmost island prefecture of Okinawa, agency officials said.

He made the pitch in a meeting with U.S. National Security Adviser Anthony Lake, who arrived in Japan on Sunday on the final leg of his swing to five Asian nations, the officials said.

Usui is hoping for tangible results in November, when a special bilateral committee on U.S. bases in Okinawa is scheduled to draw up a final report on retrenching the huge U.S. military presence in the prefecture.

About 75 percent of all land used by the U.S. military in Japan is concentrated in Okinawa, although the prefecture makes up only 0.6 percent of Japan's total land area.

Lake told Usui Washington wants to join with Tokyo as far as possible in reducing the burden on the people of Okinawa, the officials said.

Lake also briefed Usui on his recent visits to China, Thailand, Vietnam and South Korea. He said he told officials of the four countries that the continued U.S. presence in the Asia-Pacific region is vital to the region's stability.

While expressing satisfaction with the outcome of his mission in Beijing, Lake said he told Chinese officials that the United States and Japan have no intention of seeking control of the region following the April reaffirmation of their security treaty.

Usui said Japan, for its part, will strive to mitigate concerns of other countries about its security ties with the U.S. through promotion of security dialogue and defense exchanges, according to the officials.

Japan: Proposal To Move MCAS Futenma to Naha SDF Base Raised

OW1407113496 Tokyo NIHON KEIZAI SHIMBUN in Japanese 13 Jul 96 Morning Edition p 1

[FBIS Translated Text] An idea has emerged to use the Self-Defense Force [SDF] Base (in Naha) for the heliport construction site to replace Marine Corps Air Station [MCAS] Futenma. Several government sources disclosed this on 12 July. Due to opposition from local residents and the U.S. Military, it is expected to be difficult to construct the heliport at one of the other four candidate sites. Meanwhile, the government has decided to start the process of coordination for relocating MCAS Futenma to the Naha base, where there is unused land which the U.S. Military has used before. Because of this, there is a possibility of improving situation regarding the MCAS Futenma relocation, which is had hard sailing.

Regarding construction of a facility to replace MCAS Futenma, which the U.S. Government agreed to return in five to seven years, four candidates sites — 1) Kadena Air Base [KAB] ammunitions depot; 2) KAB; 3) Camp Hansen; and 4) Camp Schwab — were chosen. However, there are some problems. Residents strongly oppose the proposed heliport construction at the KAB ammunitions depot for environmental reasons. Among other things, the U.S. Military is also expressing disapproval of moving the air station to KAB because it "will complicate the air control system."

The newly selected Naha base (2.124 million square meters) is being used jointly by the Ground, Maritime, and Air SDF. The Air SDF Southwest Composite Air Division, the Maritime SDF Fleet Air Wing 5, and the Ground SDF 1st Combined Brigade have their headquarters there and F4's are deployed there.

SDF aircraft at the Naha base and commercial airplanes jointly use a runway, which is about 3,000 meters long, at the Naha Airport and U.S. military and SDF aircraft often have joint training there. Moreover, there is land that the SDF does not use on the base. Government officials point out that the Naha base "satisfies the conditions for heliport construction to a certain degree" (according to an SDF source). However, discussions will be needed between the three parties — the Transportation Ministry, which has jurisdiction over Naha Airport's air control system; the SDF; and the U.S. Marine Corps. Also, it seems likely that coordination with local residents over the impact of heliport construction on the environment and other matters will become problems.

Japan: Government Panel To Delay Judgment Due to U.S. Base Issues

OW1307123096 Tokyo KYODO in English 1029 GMT 13 Jul 96

[FBIS Transcribed Text] Tokyo, July 13 KYODO — A government panel will postpone its final judgment on transferring more power to local governments lest it be used to enact a special law to allow the forced leasing of lands for use by U.S. military bases in Okinawa, panel sources said Saturday.

Members of the decentralization panel, an advisory body to the Prime Minister, have decided to delay setting guidelines on how the central government will take over from local governments administrative work concerning the nation's security.

In its interim report in March, the panel called for doing away with the present system whereby local governors handle part of the administrative jobs of the central government, arguing that it places local bodies under the control of central authorities.

But, as the ruling coalition partner Liberal Democratic Party (LDP) has been preparing a special bill to facilitate forced land use in Okinawa, southwestern Japan, the panel members now think it best to wait to avoid entanglement in political debate over the issue.

The LDP believes such legislation is needed unless Okinawa Gov. Masahide Ota gives in to the demand by Prime Minister Ryutaro Hashimoto's cabinet that he cooperate with the local administrative steps needed to secure land in Okinawa for U.S. military use.

The land areas over which Ota is likely to refuse to cooperate with any request from Hashimoto's government are those occupied by 11 U.S. military facilities in Okinawa.

Most of the landowners have indicated their opposition to renewing the lease contracts which are set to expire next May, and Ota, as he has in other cases, is likely to reject his part of the administrative steps.

Japan: Stalemate on Futenma Return, Heliport Relocation Viewed

OW1507055296 Tokyo MAINICHI SHIMBUN in Japanese 14 Jul 96 Morning Edition p 2

[Article by Natsuki Hontani]

[FBIS Translated Text] Negotiations between Japan and the United States are facing rough going over the location and scale of the relocation site after Marine Corps Air Station [MCAS] Futenma (in Ginowan) is returned. The return of Futenma was proposed as the centerpiece of the interim report by the Special Action Committee on Okinawa (SACO), which is working on reduction and consolidation of U.S. military bases in Okinawa. Several facilities, including Kadena Air Base, are proposed as possible relocation sites, but the Japanese Government is wedged between U.S. demands for maintaining military capability and Okinawa opposition to confining the base reshuffle only to the island. Government officials are becoming irritable as it becomes uncertain if they really can finalize the base relocation plans before the end of September.

The Okinawa issue has become a major political problem since Okinawan Governor Masahide Ota refused a "proxy signing" of a land lease contract at the Sobe communications site last September. The issue seemed to take a favorable turn following the SACO interim report released in April; however, the Okinawa prefectural government is now saying "it is very difficult to obtain understanding from the local community" (as noted by Governor Ota), since the SACO plan includes as a condition the construction of a new heliport at another site in Okinawa.

Under present circumstances, the new heliport is likely to be located on KAB, the Kadena Ammunition Depot, Camp Hansen, or Camp Schwab. While the United States considers "the best location" to be Kadena Ammunition Depot, Japan hopes for relocation to Kadena Air Base due to "Okinawa's strong resistance to environmental destruction." The United States replied "we will do a feasibility study, at least" (as noted by Deputy Under Secretary of Defense Walter Slocombe), but is taking prudent attitudes toward relocation to KAB because the air force base "has few spaces available and helicopter operations will make air control difficult."

No tangible studies have been done at other sites. Some proposed reclaiming of coasts near Camp Hansen or the Blue Beach Training Area, but the local community will never accept such plans, which are likely to cause environmental problems. On 11 July, U.S. Ambassador to Japan Walter Mondale told a top Social Democratic Party official that "the United States will announce its stance within a couple of weeks." Thus, the relocation issue is expected to make some progress later this month, but it is still uncertain if new proposals can obtain the understanding and cooperation of the Okinawa government.

SACO is expected to work out its final report in November. At an informal meeting on 10 July, the Japanese and U.S. Governments agreed to finalize measures for implementing the SACO plans, including the relocation site for Futenma's heliport, before the end of September at the latest. On 8 September, Okinawa will conduct a referendum on the people's attitude toward the U.S. bases reduction and revision of the Japan-U.S. Status of Forces Agreement. Also, the Supreme Court will make a decision on the so-called "proxy signing" trial during the same period. The September deadline was set in view of these factors. Observers in the Japanese Government believe the U.S. administration "will become a lame duck after this fall" (as noted by a Defense Agency source) due to the presidential election in November. Therefore, Japanese Government officials are afraid that "the entire SACO plan may be ruined if we take too much time handling the case" (as noted by a senior Defense Agency official).

Japan: SDP's Uehara Interviewed on Inspection of U.S. Base in Guam

OW1307142396 (Internet) Social Democratic Party WWW in Japanese 9 Jul 96

[Interview with Vice President Kosuke Uehara of the Social Democratic Party (SDP) by unidentified reporter;

date and place not given; first paragraph is SDP introduction]

[FBIS Translated Text] Vice SDP President Kosuke Uehara made an inspection and research tour of U.S. military bases on Guam Island on 26 and 27 June to study details about the Asia-Pacific region security issue, as well as the plan to realign and reduce U.S. military bases in Okinawa. Hidenori Sasaki, director of the SDP National Movement Bureau, accompanied him.

[Reporter] What is the purpose of the research tour of Guam?

[Uehara] Following the SDP mission's visit to the United States made from late April to early May, I visited there to study the U.S. strategy for East Asia after the end of the Cold War, as well as concrete solutions to the issues involving U.S. military bases in Okinawa. I am considering visiting the Republic of Korea [ROK] in the near future to research the situation there. My inspection tour of Guam was so rewarding that I thought I should have visited there earlier.

[Reporter] What is your impression of Guam?

[Uehara] Anderson Air Base and Apla [name as published] Naval Base have been utilized, just as Okinawa was, as the biggest U.S. strategic bases in Asia-West Pacific region. Their area and facilities are immense, and this made me think that "I never imagined that there are such big bases in Guam." However, with the end of the Cold War, they have turned in to rear support bases for supply and transportation, and have obviously lost their vigor.

Commodore Brewer, Commander U.S. Naval Forces Marianas, in charge of the entire U.S. force in Guam, said that the strategic importance of Anderson Air Base has not diminished at all, and that efforts should be made to maintain its functions to respond to emergencies whenever the need arises. I was impressed by his words saying that as far as the U.S. Air Force bases are concerned, there is no plan to reduce them. However, the naval air station was returned in March, 1995 and most facilities of Apla Naval Port are due to be returned by 1997.

[Reporter] Please explain how the decision to return them was made and the present situation?

[Uehara] As to the reasons for bringing about such a decision, Commodore Brewer listed the following: the end of the Cold War, the budget problems, and the request of the Guam state government. Regarding the return of other U.S. military bases in the U.S. mainland and its territory, step by step measures have been implemented for 1993, 1995, and 1997.

In contrast, regarding the U.S. military bases in Japan, concerned parties have sought to realign and consolidate them within Okinawa or other places in Japan. I strongly felt that the steps taken to achieve the task of realigning, reducing, and returning military bases in Japan are very different from those taken for bases in the United States.

The Japan-U.S. security treaty is still handled in the same manner as in the Cold War era. Efforts are made to maintain the treaty and functions of U.S. military bases in Okinawa by stressing new threats as well as the possibility of regional conflicts in the Korean peninsula, China, and Spratly Islands.

Unless the Japanese and U.S. government leaders in charge of security issues alter such a perception, I think it will be difficult for us to resolve the Okinawa base issue. The questions we are facing now are how the SDP should formulate its stand, and how it should develop its policy in this regard to eliminate instability in north east Asia.

To thoroughly study the issues involving U.S. military bases in Japan is an important task in the future as well. In an effort to reflect the result of the study of U.S. bases in the Special Action Committee on Okinawa's (SACO) final report on the Okinawa bases issue, which will be issued in November, we are considering formulating a report on this matter and the result of the research of the circumstances of U.S. military bases in the ROK by September. We want to conduct the research tour to the ROK by mid-August.

I believe that with the completion of the inspection of U.S. military bases on the U.S. mainland and in Hawaii, Guam, and the ROK, we will be able to grasp the U.S. strategy for the Asia-West Pacific region in the post-Cold War period, as well as the circumstances surrounding the bases.

[Reporter] What did you notice by comparing Okinawa and Guam?

[Uehara] I found that circumstances of the Guam base are very similar to those of Okinawa when it was under the occupation of the U.S. military. Thus, the United States does not invest extra funds in base facilities. There are no roads or curbs and gutters, and fences surrounding it are simple. Military bases are provisional facilities in the first place, and usually, they are not perfectly maintained in every nook and cranny.

Okinawa was just like that before it was returned to Japan. Although bases in Okinawa are now well maintained just like parks, under the so-called "consideration budget [omoiyari yosan]" provided by the Japanese Government, I think there are still problems. Efforts should be made to review such circumstances.

Japan: DFAA Estimates Over Y500 Billion for Bases Relocation

OW1407113396 Tokyo ASAHI SHIMBUN in Japanese 12 Jul 96 Evening Edition p 1

[FBIS Translated Text] The Defense Facilities Administration Agency [DFAA] estimates over 500 billion yen [Y] will be needed for implementing the Special Action Committee on Okinawa's (SACO) bases relocation agreement, a source said on 12 July. The DFAA estimate was made on relocating 12 U.S. military facilities, such as Marine Corps Air Station [MCAS] Futenma (in Ginowan). The relocation costs include construction of a new runway, relocation of antennas belonging to the Senaha communications site (in Yomitan), and construction of multistory on-base housing. The cost may become even larger in future negotiations with the United States. It is now clear the relocation project will cost at least hundreds of billions, and the large amount may stir up controversy.

According to the DFAA estimate, relocation of the Naha Port facilities (in Naha) to Urasoe will cost Y120 billion, mainly for construction of piers and breakwaters. Construction of multistory housing on Camp Foster (in Chatan) will also cost some Y120 billion. Relocations of many other facilities, including Senaha communications site, which is expected to be relocated to Torii Station, will cost several billion yen each.

As the relocation site for MCAS Futenma is not determined yet, the estimate was made on the assumption that a 1,500-meter runway would be constructed at the Kadena Air Base [KAB] ammunition depot, according to the first U.S. proposal. If Futenma's 20-hectare of hangars should be relocated, the total could reach Y200 billion.

In addition to relocation costs for 11 facilities agreed to in the SACO "Interim Report," the estimate includes construction of new Navy hangars on KAB.

A Defense Agency [DA] official said: "We are still negotiating with U.S. officials on relocation conditions. Additional costs are expected for environmental assessments and other preparation work, and we are not yet certain how much the final bill will be for bases relocation."

Earlier, the Japanese and U.S. Governments agreed that Japan should bear the cost of relocating U.S. bases in Okinawa.

The DA opposes such large expenditures from the defense budget, calling for separate funds for implementing the relocation package. Budget negotiations with the Finance Ministry will become the focal point. Meanwhile, the Okinawan people oppose several relocation projects since they will not remove bases from Okinawa but just reinforce existing bases. The cost-effect efficiency of the expensive bases relocation package is being questioned.

Japan: Hashimoto Considering New Development Plan for Okinawa

OW1307074796 Tokyo KYODO in English 0704 GMT 13 Jul 96

[FBIS Transcribed Text] Okayama, Japan, July 13 KYODO — Prime Minister Ryutaro Hashimoto said Saturday the government will consider an additional budget for the promotion of development projects in Okinawa, a southwestern island prefecture burdened with the heavy U.S. military presence.

"It is necessary to have a better plan irrespective of the present development plan," Hashimoto told a news conference as he paid his first visit to his hometown of Soja near Okayama, western Japan, since becoming Premier Jan. 11.

Hashimoto's government has been forced to try to deal with growing opposition among Okinawans to the large presence of U.S. military bases there, which many of them believe has hindered the island's development.

Hashimoto made the remarks during a one-day trip to his hometown in Okayama Prefecture, western Japan, to attend a seminar hosted by the Liberal Democratic Party (LDP), which he heads, and other welcoming events.

Okinawa, where the U.S. military waged a bloody battle with the Japanese imperial army in the last several months of World War II, was occupied by the United States after the war and returned to Tokyo in 1972.

Asked about the possibility of forming a new budget to cover the cost of a partial transfer of land used by U.S. military bases in Okinawa, Hashimoto said he would await the outcome of talks at a Japan-U.S. joint action committee.

The issue of costs has emerged as a focal point in budgetary appropriations requested by government ministries and agencies for fiscal 1997, which starts next April 1.

Citing tight financial conditions, the Finance Ministry insists such costs be covered within the existing budget for the defense facilities administration agency but some members of the three ruling coalition parties are demanding a separate budget allocation.

In April, Japan and the United States agreed on a plan to reduce by one-fifth the land occupied by U.S. military bases in Okinawa.

The joint committee is expected to hammer out concrete measures in November for the agreed relocation of some U.S. military facilities.

Hashimoto appeared to enjoy his first homecoming since taking the reins of government half a year ago.

Before some 1,500 supporters, Hashimoto was relaxed and cracked jokes. "My wife must feel secure now because, since becoming Premier, I haven't had any chance to freely go out drinking at night."

Later, Hashimoto was to give a speech at the LDP's political, economic and cultural seminar in okayama. He will return to Tokyo later in the day.

Japan: Editorial Views Lake Visit to PRC, U.S.-Sino Relations

OW1407120696 Tokyo ASAHI SHIMBUN in Japanese 14 Jul 96 Morning Edition p 5

[Editorial: "To Help Restore Good Relations Between the United States and the PRC"]

[FBIS Translated Text] It appears that prospects are improving for restoring the relationship between the United States and the PRC [Peoples Republic of China] which observers have dared to say has been in the worst state in the quarter of a century that has passed since the two countries normalized diplomatic relations.

National Security Advisor Anthony Lake, whom U.S. President Bill Clinton recently dispatched to the PRC, has concluded an agreement with PRC President Jiang Zemin and other Chinese officials on mutual visits by the top leaders of the two countries. The U.S. President and the Chinese President may visit Beijing and Washington, respectively, as state guests as early as next year.

We welcome this accord. While also welcoming the accord, other Asian countries are expected to watch the moves of the United States and the PRC at the late-July meeting of the foreign ministers of the two countries and at the summit meeting of the Asia-Pacific Economic Cooperation (APEC) forum in November.

The Asia-Pacific region has become the center of growth in the world. The major precondition to maintaining the stability and order that will support this region's development is the promotion of friendly relations between the United States and the PRC. What is necessary to that end is a framework for constant dialogue that will prevent political disputes and economic friction from developing into armed conflicts.

No American President has visited Beijing for seven years since the Tiananmen incident. This is an unnatural situation, considering the great changes that have taken place over this period, such as the PRC's rapidly growing into a "21st century super power" and the instability on the Korean peninsula.

The Chinese government's oppression against pro-democracy movements, its export of missile parts, and the Taiwan issue — all these have widened the gap between the United States and the PRC. In particular, Taiwan President Li Teng-hui's visit to the United States last summer caused further deterioration of U.S.-Sino relations. It was only four months ago that the United States deployed two aircraft carriers to check the PRC, which tried to intimidate Taiwan by conducting military drills while Taiwan was holding its presidential election.

In the backdrop of the situation is the deepening of mutual distrust between the United States and the PRC. A growing number of members of the U.S. Congress, which had been taking an increasingly pro-Taiwan stance, began arguing that the "PRC poses a threat." Chinese officials, in turn, became alerted at U.S. attempts "to confine China."

However, centrifugal force is not the only force affecting the United States and the PRC. Centripetal force is also interacting between the two countries.

The PRC has now grown into a huge market that is vitally important to the U.S. economy. The country's existence has also gained further significance as a factor influencing the U.S. security policy. To push the PRC back into the ranks of a country that is merely trying to gain regional supremacy will be disadvantageous not only to countries in the region but also to the United States.

In addition, to carelessly cause tension to mount between the United States and the PRC would not be desirable to the Chinese leadership which seeks stability based on economic development.

The two countries made efforts to avoid the occurrence of sporadic incidents when tension developed in the Taiwan Strait last spring. They also managed to tentatively settle their dispute over intellectual property rights, avoiding sanctions. Congress recently approved extending the most-favored-nation status for the PRC.

The Clinton administration has been criticized for flaws in its Asian policy, and the Chinese leadership feels that it would be advantageous to restore its relations with the United States in order to solidify the country's leadership under President Jiang at the CPC convention in fall 1997. It thus appears that one of the reasons the United States and the PRC agreed on mutual visits by their leaders is that this would be consistent with their individual interests.

Nevertheless, we still cannot simply be optimistic about future U.S.-Sino relations. It is expected that the two countries will continue to clash over trade and human rights issues. The PRC remains very cautious about attempts to overturn the government through peaceful means, the so-called "peaceful evolution." The country is also suspicious about its being the target of the Japanese-U.S. security alliance, following the recent announcement of the joint Japan-U.S. security declaration. This is also a problem that Japan has to face squarely.

What is important is that the more valuable the "common interests" of the two countries are, the greater the force to prevent the deterioration of their bilateral relations will be. The role that Japan can play is not so small, for example, in having the PRC become a member of the World Trade Organization (WTO).

It is time to launch full-fledged efforts to restore U.S.-Sino relations with a view to creating a framework to maintain peace in the Asia-Pacific region.

Japan: GSDF Officer on U.S. Army's Force-21 Doctrine as Reference

OW1407114296 Tokyo RIKUSEN KENKYU in Japanese Jul 96 pp 1-20

[Article by Major General Masahiro Shigemura, commanding general, Signal Brigade, Ground Self-Defense Force. Originally titled "Meeting the Information Age; The Information Age Seen in U.S. Army's Force-21 Concept for the Future." Article part of special feature issue on information/intelligence issues.]

[FBIS Summary] In a foreword to the article, the author describes the U.S. Army's adoption of a new doctrine, "Force-21," in response to the increasing diversity of army roles following the Cold War's end as well as such "explosive advances" in the ongoing "information revolution" as the Internet and the Iridium project. The author then examines the anticipated strategic environment in the early 21st century, an era when "information superiority" will play the key role that "air superiority" has done in past decades. Next follows an explanation of how the U.S. Army's command and information structure under Force-21, including improvements to the Army Battle Command System (ABCS), will address developments in future ground operations. The author also covers plans for developing personnel and technical systems for the coming information age.

The author, having reviewed the U.S. Army's Force-21 doctrine, then suggests the need for Japan's Ground Self-Defense Force [GSDF] "to tackle in a positive manner the changes" to result from the revolution in military affairs resulting from the information age of the 21st century. Also, given the diversification of GSDF roles under the new National Defense Program Outline [NDPO] and the rapid advances in telecommunications technology, "it is thought that, in times of both peace and emergency, information warfare potential will grow increasingly important."

Changes are thus necessary in four areas: doctrine and tactics; organization and systems; equipment; and personnel. In doctrine and tactics, the GSDF should consider strategy to respond flexibly not only to its mail role of defense operations but to peacekeeping operations and disaster relief operations as well. In organizations and systems, changes must result in high-tech, compact, and highly mobile units able to function in joint operations. As for equipment, developments are increasingly digital, high-tech, and labor-saving systems. Regarding changes in personnel, the GSDF will need to train highly skilled personnel at all levels. In enacting these changes for the 21st century, the author argues for acting with reference to the U.S. Army's actions.

The author then elaborates on the modernization of GSDF telecommunications systems, arguing for the maximum incorporation of civilian information technology in building an information warfare potential capable of achieving information supremacy. Specifically, he sees the need for the GSDF to establish a dedicated organization similar to the Pentagon's ADO [expansion unknown]. In terms of information systems, the author advocates acquiring reconnaissance satellites, developing drone reconnaissance aircraft and ground sensors with radar, infrared, and other sensor capabilities, and equipping personnel with systems combining a computer terminal with global positioning system (GPS) technology and communications capabilities.

The author concludes by citing the role of information technology, including the use of reconnaissance satellites, in the Gulf War. He ends by again citing the U.S. Army's Force-21 doctrine as a reference for the GSDF as it reshapes its structure under the new NDPO.

Japan: Basic Policy for APEC Trade Ministerial Meeting Disclosed

OW1407085496 Tokyo MAINICHI SHIMBUN in Japanese 11 Jul 96 Morning Edition p 9

[By Yutaka Kinoshita]

[FBIS Translated Text] A trade ministerial meeting of the Asia-Pacific Economic Cooperation (APEC) forum will be held in New Zealand on 15-16 July. Japan's basic policies on trade, investment, government procurement, and other issues to be discussed at the meeting, were disclosed on 10 July. Japan will suggest that APEC address the World Trade Organization (WTO) to discuss the conclusion of the Multilateral Agreement on Investment (MAI) at the first ministerial meeting of the WTO scheduled to be held in Singapore in December. At the meeting, Japan will also bring up its hope that a tentative agreement can be reached among the participating nations to clarify the program to prevent corruption in government procurement systems.

The formulation of international investment rules has been a focal point accompanying economic globalization. Since barriers to investment still exist for foreign companies that want to advance into developing countries and newly industrialized nations, advanced nations have stressed a need for formulating rules focusing on deregulation. Meanwhile, many developing countries have indicated concerns that their industrial policies may be restricted by the new rules.

The advanced nations have aimed at concluding the MAI within the next year through the Organization for Economic Cooperation and Development (OECD). Japan's proposal, to be made at the APEC trade ministerial meeting, reflects the intention of advanced nations to involve those developing countries which have taken a negative stance in formulating the rules.

On the other hand, some developing countries are concerned that if the developing countries keep avoiding discussions, international standards may be set on the basis of the new rules worked out by the advanced nations. Therefore, they hope the APEC forum will facilitate discussion of the issue between the developing countries and the advanced nations.

Tokyo Seeks ASEAN, PRC's Understanding of U.S. Security Pact

OW1507134396 Tokyo TOKYO SHIMBUN in Japanese 14 Jul 96 Morning Edition p 2

[FBIS Translated Text] At the Third ASEAN Regional Forum (ARF) ministerial meeting to be held in Jakarta on 23 July, the Japanese Government will seek to win ASEAN member nations' understanding of the "Japan-U.S. Joint Declaration on Security" issued in April, stressing that it does not target particular third countries. A Foreign Affairs Ministry source disclosed this on 13 July. Japan aims to eliminate China's anxieties over the declaration.

The ARF was formed to have dialogues and consultations about political and security issues in the Asia-Pacific region. Attending the forum are Yukihiko Ikeda, Japanese foreign minister; Qian Qichen, Chinese vice premier and foreign minister; Warren Christopher, U.S. secretary of state; Yevgeniy Primakov, Russian foreign minister; and Kong No-myong, South Korean foreign minister.

They are likely to discuss the following topics: the Korean peninsula situation, sovereignty over the Spratly Islands, the Japan-U.S. Joint Declaration on Security, the China-Russia accord on confidence building measures, and disarmament and nonproliferation issues, including the Comprehensive Test Ban Treaty (CTBT).

Among the 20 participating countries (including India and Burma, which will join the forum for the first time) and one international organization, only China has expressed concern about the Japan-U.S. Joint Declaration on Security.

In view of this, Japan will seek China's understanding by stressing the following: 1) Asian and Pacific countries have praised and shown positive response to the declaration; and 2) the declaration's expression, "the Japan-U.S. security alliance based on the bilateral security treaty is essential to maintaining the stability and prosperity of the Asia-Pacific region" does not mean expansion of its geographical coverage.

However, China's nuclear tests, recognition of the past, and other factors that would influence their relationship lie between it and Japan. In addition, if military conflicts arise between China and Taiwan, U.S. forces will surely use the military bases in Japan during their intervention. It is questionable the ARF ministerial meeting will eliminate China's concern.

Japan: Foreign Minister's Visit to Bosnia Reviewed

OW1307130296 (Internet) Japanese Ministry of Foreign Affairs WWW in English 12 Jul 96

["Press conference by Takahisa Tsugawa Deputy Director of the International Press Division on the Foreign Minister's Visit to Bosnia and Herzegovina" held "2 July 1996" in "Vienna"; from the "What's New" link]

[FBIS Transcribed Text] [Topics of Discussion] I. Visit to Bosnia and Herzegovina by Minister for Foreign Affairs Yukihiko Ikeda II. The meeting between Minister for Foreign Affairs Yukihiko Ikeda and PIC [expansion unknown] High Representative Carl Bildt III. Conditions in North Korea

I. Visit to Bosnia and Herzegovina by Minister for Foreign Affairs Yukihiko Ikeda

Deputy Director of the International Press Division Takahisa Tsugawa: Minister for Foreign Affairs Yukihiko Ikeda made a one-day visit to Sarajevo today, and though it was a rather short stay, he had several meetings with government people and also high-level representatives and so on. He met first with President Alija Izetbegovic of Bosnia and Herzegovina, and he had a working lunch hosted by Prime Minister Hasan Muratovic of Bosnia and Herzegovina. On this working lunch, Minister of Foreign [Affairs] Jadranko Prlic of Bosnia and Herzegovina, as well as the Minister of Finance and Minister in Charge of Economic Reconstruction, were also in attendance. Then, in the afternoon, Foreign Minister Ikeda moved to the office of High Representative Carl Bildt. They met for about half an hour. After that, he met Ambassador Frowick, Chief of the OSCE [expansion unknown] mission for the coming elections, and then he met some Japanese experts in that field — the field of the elections — and also people from non-governmental organizations who are taking care of the refugees. Through this series of conversations, he expressed the significance of his visit, Japan's role in the question of the democratization and reconstruction of the country of Bosnia and Herzegovina, Japan's basic thoughts and principles on this question, and on concrete Japanese contributions to economic construction and democratization, including those for the upcoming election. Let me start with the first point, the significance of this visit. This is the first visit to Bosnia and Herzegovina by a Japanese Minister for Foreign Affairs. We have just established our bilateral relationship with Bosnia and Herzegovina during the first part of this year, and Foreign Minister Ikeda made this visit today, just after his intensive discussions within the framework of the G-7. The G-7 Summit took place just a few days before in the French city of Lyons. Perhaps you may have found the text of G-7 decisions in full. In the meeting with President Izetbegovic, and also during the working lunch with the Prime Minister and other Ministers, Foreign Minister Ikeda handed out the full text of these decisions, in which Japan played a part. The full text of these decisions is self-explanatory. But, I will explain several salient points of the text — these points were also explained to the Bosnian side. He explained that as a member of the G-7 and a country which is very keen on global issues, that Japan will assume its burden of responsibility in the efforts toward democratization and economic reconstruction in Bosnia and Herzegovina. As you see in the text of the Lyons Summit, of course Foreign Minister Ikeda made it clear that the prime responsibility for implementing the peace agreement lies with the different communities and their leaders, so it is primarily up to them to decide on the future of the country and rebuild a civil society. Then, he explained the Japanese basic stance on assistance for the former Yugoslavia. He insisted on the fact that the conflict in the former Yugoslavia is a regional conflict with roots that are deeply intertwined with the geography and history of Europe. So, primarily, it is a European question, but Japan is very aware of the global character of the question, based on the humanitarian considerations, and in view of the importance of creating an international order in the post-Cold War era. Recognizing the importance of solving this conflict, Japan has become a member of the steering board of the Peace Implementation Council since December last year. We have sent an aide to the Office of High Representative, and through this spirit and concrete record we would like to see the implementation of the peace accord in the civil sector. In this sense, he insisted on the importance of the holding of the elections to be held on 14 September. He said that it is important that these elections should be conducted in a free and fair manner. In this regard, he insisted on the importance of achieving and maintaining the integrity of Bosnia and Herzegovina as a unified entity. This point was made clear in the text of the G-7 Lyons Summit. For the reconstruction and rehabilitation, Japan has already pledged US$130 million for the single year of 1996, in the framework of the international efforts of cooperation, the European Union, the United States, and so on. In this regard the international conference was already held twice, under the auspice of the European Commission and the World Bank as far as I understand. In the G-7 text, we insisted on the importance of early disbursement of assistance already pledged, under Point IV, "reconstruction." We, as the G-7, call upon all donors to accelerate payment of their pledges for 1996. In this regard, Japan has already disbursed US$34 million, about one-third of the total pledged amount for the year 1996. This US$34 million is in form of a grant to be used mainly for balance of payments support of the Bosnia and Herzegovina Government. For the elections, several Japanese are active in the OSCE preparatory work for the elections, and Japan decided on the contribution of US$2 million to the OSCE with a view to assisting the holding of elections to be held in Bosnia and Herzegovina on 14 September, and which is to be used for the purchase of equipment and material necessary for the implementation of the election.

I will distribute here also the press release on that decision just made this morning in Tokyo. This is the general assistance and contribution Japan has been extending so far. And, in response to these points made by Foreign Minister Ikeda, the Government of Bosnia and Herzegovina, especially during the working session lunch with Prime Minister Muratovic, the following points were made. Firstly, Prime Minister Muratovic expressed his gratitude for Japan's support, in a bilateral context and as a G-7 member as well; he will do the utmost effort to respond to these contributions and expectations expressed by the international community. But, he also explained the difficulty he is facing in the democratization of the country, especially in view of the coming elections. In this regard, he explained that the continued presence of Mr. Radovan Karadzic is one of the obstacles for the complete democratization of Bosnia and Herzegovina. Also, trade between the entities which constitute Bosnia and Herzegovina is not sufficient so far, and there are still restrictions on freedom of movement, freedom of speech, and so on. Also, the repatriation of refugees is one of the concerns for the Government of Bosnia and Herzegovina. He said that there are still remaining threats of war in the country. For the reconstruction, Prime Minister Muratovic said that suddenly it is important to quicken the disbursement, but it is also important to have the organization between the donor countries develop more awareness of the real economic situation of Bosnia and Herzegovina. He explained that the necessary task for reconstruction is now at the stage of not only just repairing basic economic activities, but also to have more and more operational activities for enterprises, and so on. Also, it is important to activate the creation of jobs. Prime Minister Muratovic insisted that it is not just a grant for the purchasing of goods, but development of the whole economy with vitality that is important. It is to stimulate the economy with working money for the enterprises and also to stimulate the investment for the establishment of new enterprises and so on. In this regard, Foreign Minister Ikeda introduced a new project of US$1.6 million for the rehabilitation of a pharmaceuticals factory in the suburbs of Sarajevo. This is cooperation through the United Nations Development Program (UNDP), and in this regard Prime Minister Muratovic said that for the implementation of the project through the international organizations such as the United Nations, it is important to have trilateral consultation among Bosnia and Herzegovina and the United Nations agencies and the donor countries. These were the major points of the discussions which Foreign Minister Ikeda had with the Government of Bosnia and Herzegovina.

Those are the announcements that I wanted to make, and I will be delighted to respond to any questions that you might have.

II. The meeting between Minister for Foreign Affairs Yukihiko Ikeda and PIC High Representative Carl Bildt

Q: Moving to the meeting with Mr. Bildt, was this before or after Mr. Bildt met with Biljana Plavsic?

Deputy Director of the International Press Division Takahisa Tsugawa:Yes, I heard that he was just coming back from Pale.

Q: What impression did he relay of the situation with Mr. Karadzic?

Deputy Director of the International Press Division Takahisa Tsugawa:I heard that High Representative Bildt said that the concession of power from Mr. Karadzic to other persons may be done, but High Representative Bildt is not sure whether it is a real concession or it is a concession made in the very strong influence of Mr. Karadzic, so he was still concerned with this point, and he will continue the consultation with Bosnian Serbs. That is the general impression that he explained to Foreign Minister Ikeda.

Q: How important is Japan's involvement in Bosnia and maybe also in the recent situation in North Korea to show that Japan is determined or interested in playing a greater role on an international scale?

Deputy Director of the International Press Division Takahisa Tsugawa:Perhaps I may quote Prime Minister Ryutaro Hashimoto's statement that he made in Lyon in this regard. He said in a press conference given last Saturday answering a question concerning the contributions to the Bosnia question of Japan. I quote, "We have had the impression that Bosnia is a far away country from Japan. Also, we do not really have adequate knowledge, historical or geographic, with regard to this country of Bosnia and Herzegovina. So, by consulting with other countries and international institutions and agencies we shall actively engage in efforts that we can undertake — for example, election monitoring. But, just as we pay consideration and interest in European situations, we would like our European friends to also be concerned equally in the Asian situation, in the Korean Peninsula situation. We would very much like to see their active participation in the Korean Peninsula Energy Development Organization (KEDO), because we believe that both these situations are not regional issues, but issues of global implication." For KEDO, Japan, the United States and the Republic of Korea made initial procedures for contribution to KEDO, and we have been insisting on the other countries, especially the European countries, to contribute to KEDO. So, we ask, as the Prime Minister did, that the Europeans be much more interested in the Asian situation as a matter of global concern. That is the general thinking.

Q: Is there any comeback on that? Did any of the European countries express an interest in getting involved with KEDO?

Deputy Director of the International Press Division Takahisa Tsugawa: Yes. It was symbolic that in the Asia-Europe Meeting which took place at the beginning of March in Bangkok, just before this meeting, the European Union made some pledge. Though it was not so much in figures, I heard that several major European countries were very aware of the global nature of the situation on the Korean Peninsula. They demonstrated a positive attitude on this question, and we appreciate that attitude, and we further promote such cooperation on global issues.

Q: As for Mr. Akashi's long engagement efforts in Bosnia, have they heightened the awareness of the Bosnian problem in Japan?

Deputy Director of the International Press Division Takahisa Tsugawa: Surely, but the civil war in Bosnia was so terrible that many in the Japanese news media also took up this problematic situation of refugees. So, it was not only the presence of Mr. Akashi as the head of the United Nations efforts there, but gradually it has become conceived of as an important global matter for the Japanese public in general.

Q: Did Mrs. Ogata help with that?

Deputy Director of the International Press Division Takahisa Tsugawa: Yes. Mrs. Ogata is very active, very remarkable — also in Japan — and her activity was prominent, especially in the case of Rwanda. For Rwanda, we sent our Self-Defense Force troops for humanitarian assistance, so there is some understanding on the part of the Japanese public regarding the question of humanitarian character.

Q: Japanese did not try to strengthen the relations with the European Union at all in foreign policy and global issues, etc. What is the opinion of Foreign Minister Ikeda or the Japanese Government about the future or long-term American presence in Japan? Especially on matters of Taiwan. What will be the American barracks in Taiwan or in Japan on a long term basis — American barracks — American military presence in Japan? [passage indistinct]

Deputy Director of the International Press Division Takahisa Tsugawa: Military presence?

Q: Yes, the future of the Americans?

Deputy Director of the International Press Division Takahisa Tsugawa: Yes, I can point out the fact that there were very positive directions in Europe in ending the so-called Cold War. Europe managed the question of the collapse of Central and Eastern Europe and the collapse of the Soviet Union, but in Asia there are still matters of concern. Japan has not yet resolved the abnormal bilateral relations with North Korea since the end of the Second World War. Of course, there is not a peace agreement with the Russian Federation since the end of the Second World War, and of course the question of Taiwan is not only a matter of the Peoples Republic of China and Taiwan, but it also has a great influence on the other countries and regions. We have to make great progress in this regard, and Japan believes that it can contribute to these efforts. In its efforts, it is especially important to maintain the present framework of the Japan-U.S. Security Framework. We have made clear the importance of this bilateral treaty between Japan and the United States in the area of security. On the visit of President Clinton in April, we made a joint statement — a declaration — to reaffirm this importance of the treaty. It is sure that the United States has some great role as a mediator or counter-balancer in the region.

III. Conditions in North Korea

Q: What is the latest information that you have about the situation in North Korea? How bad are things there?

Deputy Director of the International Press Division Takahisa Tsugawa: For North Korea, the situation is not so bad. For the food shortages, the United Nations has just made an appeal to gather further contribution from the international community. Japan, the Republic of Korea, and the United States made some commitments recently. We consider that the food situation has worsened. As for the head of state, Kim Chong-il, is still in power, and he is managing — he is administrating domestic policies.

Q: Does Japan have contingency plans for a sudden collapse of the North Korean regime? Maybe some financial reserves?

Deputy Director of the International Press Division Takahisa Tsugawa: I am not a specialist, and I am not in charge of the question, but generally speaking, for example, the response of Japan in the framework of the U.S. Japan Security Treaty in the case of war, the international discussions have been so far rather ideological. We do not have any right to utilize the collective right in the present Constitution or similar discussion was prevailing in Japan, but now according to the reconfirmation of significance of treaty and bilateral security system, we now have to consider what exactly we can do as concrete measures in case of emergency. There should be much which can be done within the present legal framework, so there should be some consideration concerning this, but the question of intelligence is a very delicate issue, so I cannot make a specific comment with regard to this question. Thank you very much.

Japan: Kubo Hints at Appeal to WTO on Liquor Tax Report

OW1207082296 Tokyo KYODO in English 0741 GMT 12 Jul 96

[FBIS Transcribed Text] Tokyo, July 12 KYODO — Finance Minister Wataru Kubo said Friday that Japan might appeal to a higher authority within the World Trade Organization (WTO) if a WTO panel adopts a report that says Japan's liquor tax system violates WTO rules.

While declining to give details of the WTO panel's report, Kubo told reporters that it is "very severe" on Japan.

According to sources at WTO negotiations in Geneva, a dispute settlement panel of the WTO produced a report saying the Japanese liquor tax system violates WTO rules by imposing cheaper rates on domestically made "shochu" liquor than on imported liquor.

If the report is formally adopted at a meeting of the panel — perhaps as early as the end of this month — Japan will be urged to take measures to narrow the gap between taxes on shochu and those on other distilled liquor products. The contents of the report will not be made public until the meeting.

The Finance Ministry is considering measures to cope with such a ruling, including appealing to a higher WTO panel, Kubo said.

The panel report came in response to a complaint from the European union, the United States and Canada that Japan's liquor tax policy is hampering their exports of whisky and other distilled liquor products.

Japan: Kubo Suggests Higher Liquor Tax 'Inevitable'

OW1507044296 Tokyo MAINICHI SHIMBUN in Japanese 14 Jul 96 Morning Edition p 9

[FBIS Translated Text] In connection with the findings of the subcommittee on dispute settlement of the World Trade Organization (WTO) that the Japanese liquor [shochu] tax system violates WTO rules, Finance Minister Wataru Kubo told a news conference held in Naze City in Kagoshima that "We will appeal to a higher WTO panel, but depending on the results, we cannot but to change the tax rate in the tax reform plan." Thus, he indicated that raising the tax for shochu in a tax revision for the next fiscal year for the first time in three years is inevitable.

Moreover, he said: "It would have serious impact on the shochu producing areas. So, for my part, I have to think about the issue seriously."

Japan: Russia's Panov Urges Shelving of Isles Issue

OW1207142396 Tokyo KYODO in English 1401 GMT 12 Jul 96

[FBIS Transcribed Text] Moscow, July 12 KYODO — Russia's Deputy Foreign Minister Aleksandr Panov is urging Japan to stop linking full-fledged economic relations to the return of four Russian-held islands off Japan's northernmost main island of Hokkaido, the Russian daily SEGODNYA reported Friday.

Panov told the paper in an interview that a solution to the territorial row at any time soon was unlikely.

Contacted by phone, Panov told KYODO news that Tokyo's "policy of balanced expansion limits the development of bilateral ties."

He said it is difficult to match progress in the economic sphere with progress in the isle dispute.

"Russia hopes to develop bilateral ties without any restrictions," he said suggesting that the long-standing territorial row should be shelved for the sake of closer ties.

In the SEGODNYA interview, Panov said Russia's stance has not changed since the Tokyo declaration, issued during Russian President Boris Yeltsin's state visit to Tokyo in October 1993, which pledged to seek a solution to the isle row based on law and justice.

But he supported Foreign Minister Yevgeniy Primakov's statement that the issue should be left to the future generation, saying the conditions in both countries are not ripe for a solution.

He also suggested that Japan lift a ban on investment and trade with the disputed isles, which Japan calls its northern territories and Russians know as the Southern Kurils, noting that economic development would benefit both sides.

Tokyo discourages participation in the economic development of the four isles — Etorofu, Kunashiri, Shikotan and the Habomai group of islets — for fear it could be interpreted as a recognition of Russian sovereignty over them.

The islands were seized from Japan by the former Soviet Union at the end of World War II. Tokyo keeps tabs on economic ties with Russia to maintain leverage in the territorial row, which has prevented both sides from concluding a peace treaty.

Japan: Export-Import Bank Approves Loans for Kuwait

OW1507031396 Tokyo KYODO in English 0245 GMT 15 Jul 96

[FBIS Transcribed Text] Tokyo, July 15 KYODO — The Export-Import Bank of Japan said Monday it has signed an agreement with Kuwait to provide 47,444 million yen in loans to finance projects in power generation and water distillation.

The credits will finance purchases of materials from Japanese companies for the reconstruction of the Sabiya power station and the al-Zour distillation plant, the bank said.

The two projects will help Kuwait meet rising power and water demand due to rapid industrialization and population growth, the bank said.

It said the Ex-Im Bank will provide 41,725 million yen toward the Sabiya power station project, half the 83,450 million yen cost, and 5,719 million yen toward the al-Zour distillation plant project, half the 11,438 million yen costs.

Japan: PRC Official Says DPRK, China Producing Opium on Border

962B0126 Tokyo SHUKAN BUNSHUN in Japanese 27 June 96 pp 162-164

[Unattributed article: North Koreans Are Producing Opium To Get Rhrough the Famine and To Acquire Foreign Capital Reserves"]

[FBIS Translated Text] *The food crisis has been further accelerated by flooding, but there are no foreign capital reserves to get through the famine. At a loss, the North Korean Government has recently resorted to poppy cultivation. Poppy fields have sprouted one after another in the mountainous regions in the north that adjoin the border with China and refined opium and heroin are being scattered in great quantities throughout the world.*

Around the middle of April the ice that covered the Amnokgang river begins to melt and the great river begins to flow swiftly, brimming with spring water. This is the border between China's Chirin Province and North Korea (Democratic Peoples' Republic of Korea [DPRK]). Bustling traffic can be seen on the great Amnokgang river bridge that connects the borders. In the early morning just around the time that the rush hour is over, freight trucks carrying lumber or refined copper powder traverse the bridge in succession and cross the border into China. In the afternoon, the trucks, having unloaded their wood and now packed with foodstuffs, such as wheat, flour, rice, etc., form a rank on the great bridge and make their way back to North Korea.

Using barter trade with mineral resources, such as lumber, copper, etc. to acquire food from China is one of the steps worked out by Pyongyang officials for solving the grave food crisis. However, North Korea is being visited by a food crisis of an extent that cannot be emerged from by such simple measures.

According to a UN estimate, the amount agricultural production last year in North Korea was approximately 4.1 million tons. Although another 1.2 million tons is needed to feed its population until October of this year, the food assistance received from abroad from last fall until now amounted to only 270,000 tons. No signs can be seen of improvement conditions that are so austere that, according to a refugee, "We would boil pine bark to eat."

"Therefore, asserts a journalist currently residing in Hong Kong, "in recent years North Korea has become aggressive in the manufacture of narcotics as a means of acquiring foreign capital."

There had been whispers for some time about North Korea's poppy cultivation, but it seems that recently it has been accelerated appreciably. Mr. Katsumi Saito, manager of the Korea Research Institute, explains as follows:

"The United States should have an idea of how much area is under cultivation with its military satellites, but beginning in the latter half of the 1980's North Korea began poppy cultivation in the provinces of Pyonganbokdo, Chagangdo, Ryanggangdo, and Hamgyongbokdo which are near the border with China.

"Ultimately, behind this poppy cultivation is the collapse of the socialist system. Until that time, North Korea was trading with the Soviet Union, China, and Eastern Europe, but that all ended. Another thing is the collapse of the bubble in Japan. The large remittances in 5 billion yen units stopped coming.

"For this reason the North Korea, in an extreme fiscal predicament, began the manufacture of narcotics and the forging of dollars."

Grainfields Successively Converted to Poppy Fields

Even Kang Myong-do, son-in-law of current North Korean premier Kang Song-san, who took refuge in South Korea, writes the following in his book *North Korea Greatest Secret* (published by this journal), "Once permission was received from Kim Il-song, poppies began to be cultivated on a large scale in Hamgyongnambokdo province. First, not only all the factories and businesses in the provinces but even small community dining halls were made to cultivate poppies. Businesses that did not possess land were even made to clear out nearby forest and mountain areas to plant poppies."

Then the area of poppy cultivation that had been 1.3 million tsubo [1 tsubo = 3.954 squre yards] in 1992 in jumped by almost 10 fold the following year to 12.8 million tsubo. Currently, due to central policy, grainfields are being successively "converted" to poppy fields.

A certain high official in the Chinese Government, under the condition of absolute anonymity, says the following: "According to policy regulations of Pyongyang, it seems that grainfields with a yield of just under 100 kilograms per mu (approx. 6.7 are) in the hills of northern portion of North Korea have all been converted to poppy fields.

"Moreover, North Korea is processing juice from the poppies for opium. This is being sold in open waters to acquire foreign capital.

"Further, since last year it went a step further and even began refining the opium to produce heroin and morphine. Processing has the effect of reducing the weight for added convenience in transport and carrying. A portion of this has gotten into our country and is becoming an issue."

Hills in the northern part of North Korea has been a region where corn is the only thing that can be caltivated. Beginning two years ago the rations of food and daily supplies that are supposed to be supplied by the central government came to a halt in this region.

According to Mr. Sato quoted earlier, "People in charge of each province had to procure such foods and daily supplies. However, there were no resources, so it was only natural that they would turn to something like poppies which would 'make money' fast. It appears that this is the reason people in charge in each province, separately from Pyongyang, are independently cultivating and selling it abroad."

Ninety Percent of Heroin Ends up in Japan

Because of this "policy" of North Korea, the border province of Chirin is faced with a menace.

Last year there were more than 10 incidents related to narcotics in Chirin exposed by the public safety agency. Thirty-odd kilograms of opium brought over from North Korea and several dozen ampules used for injecting morphine were confiscated.

Of course, it is not only China that is being exposed to this threat. According to a western intelligence agency source, "There are two main distribution routes for narcotics from the North Korea. One is the route that crosses Russia from east to west until reaching Europe. The other runs from China to Macao, Hong Kong, and then by sea freight to Taiwan, Japan, and Europe."

In the book introduced earlier, Mr. Kang Myong-do, who fled North Korea to take refuge in South Korea, writes, "Ninety percent of the heroin produced by North Korea is going to Japan. It is carried into Japan by various means."

This suggests that there is a possibility that it was smuggled in the country mixed inside river sand ordered by a Japanese trading company.

According to yet another journalist, "In addition to that, the North Korea is even now manufacturing heroin and it is said to be originating from a border region of China and North Korea via Dairen to Seoul, Pusan, and then to Fukuoka."

The high-ranking Chinese Government official quoted above continues, "Opium produced in North Korea is being traded at a price of more than 10,000 won (approximately 130,000 Japanese yen) per kilogram in China and although an ampule of morphine is 28 won apiece, it is said that 'the price is negotiable.'

"This behavior is a threat to the safety of the border regions on the Chinese side. Despite the fact that Chirin was originally a province in China with few narcotics cases, now it is getting to the point of competing for top place."

According to a report on narcotics that China is presenting to the WHO (World Health Organization), in 1989 the number of narcotics cases uncovered in that country was a mere 550. However, last year there were more than 57,000 cases, an incredible increase. Just the number of drug addicts on record within the country as of the end of last year had reached as many as 520,000 people (information published by Xinhwa Co.).

Says the above-mentioned journalist, "China has a history in which it became drowned in opium in the Opium War in the 19th century and it was torn apart. It is for that reason that among the high-ranking officials there is a deeply-rooted 'phobia' about narcotics. Therefore, the entire government is launching a narcotics eradication campaign and is basically meting out the severe punishment of the death sentence for possession of more than a certain amount of drugs."

Recently a "narcotics investigation section" was established within the Public Safety Bureau of Chirin province to deal with the narcotics problem, and at the same time, an agenda is also being prepared concerning the narcotics problem.

According to the above-mentioned ranking Chinese official, a diplomatic letter of protest was dispatched from Beijing to Pyongyang concerning North Korea's "inappropriate behavior," but it seems that the North Korean side denies that there ever was any such behavior.

"Until last year, around May, you could look out and see the poppy plants all abloom, literally covering the mountains on the North Korean side. Perhaps it is because of that letter of protest, but as you might expect, this year the blooms are nowhere to be seen around the border regions. Even so, if you look with binoculars you can see poppy fields among the forests and slopes in the distance," says the ranking Chinese official, commenting on the audacity of North Korea's "national behavior."

"North Korea is Really Unsettling"

It is not just the narcotics issue that is troubling public safety officials in Chirin province.

There are frequent cases of thefts occurring inside Chinese borders perpetrated by people secretly crossing the border from food impoverished North Korea.

However, says the person involved in public safety in Chirin, "Knowing as we do that this is happening because there is no other means of subsistence, what is there for us to do about it?" indicating a real sense of generosity.

In any event, the poverty of the North Korean side is not commonplace. Says one Chinese merchant, "There was even one person who secretly broke off the arm of a statue of Kim Il-song and came to me wanting to sell it."

"This is why the mass media on the Chinese side has not even reported anything about the recent incident involving the letter of protest issued by China. Even now the relationship of trust is 'outwardly' healthy," says the before-mentioned journalist.

According to Mr. Masahiro Kuroda, chief of the Seoul Bureau of the SANKEI SHIMBUN, "It would not be possible for China to turn against the North Korea and leave it in the lurch. They should hold the basic belief that eventually the North Korea will opt for a Chinese style of free economy. Therefore, their position is that it is better not to force their hand by applying too much pressure.

"Because China always takes the long-term view of things, it is resolutely looking toward the post-Kim Chong-il period."

However, on the flip side of that is the fact that currently, in a China-North Korea border zone, an imbalance is occurring in the number of troops stationed on both sides. The Chinese side has 3,000 armed police while the North Korean side has stationed a massive army of 40,000. It has covered artillery that are deployed with their sights set on China across the Amnokgang river. Moreover, according to information sources, the North Korean Peoples' Army has been placed on the maximum state of military preparedness.

Further, while praising China as a war ally joined by the blood of the masses," North Korea is said to have constructed a "rapid intelligence gathering network" that covers the entire Chinese continent.

Says the person involved in public relations in Chirin in a hushed voice, "They immediately get wind of personnel changes over here. For instance, even when a branch secretary is replaced in a village, it is no time until they find out his name, age, and past history.

"North Korea's behavior always defies comprehension and it is really unsettling."

Japan: EPA Head Tanaka Proposes Deregulation in Six Sectors

OW1207140396 Tokyo KYODO in English 0928 GMT 12 Jul 96

[FBIS Transcribed Text] Tokyo, July 12 KYODO — Economic Planning Agency (EPA) Chief Shusei Tanaka submitted a proposal for deregulation in six industry sectors at a third unofficial cabinet session held Friday for reviewing ceilings on budget requests for fiscal 1997, government officials said.

Prime Minister Ryutaro Hashimoto told cabinet ministers to take the proposal back to their ministries and hold discussions in various councils, the officials said.

Hashimoto agreed earlier in the week to energetically promote deregulation as a way of reducing state deficits.

Tanaka maintains that reforming Japan's economic structure through deregulation will spur economic development in the long term, and will eventually lead to an improvement in state funds.

The proposal by the EPA chief urges quicker deregulation to be implemented in the fields of employment, land, housing, finance, distribution and information communications.

Specific measures proposed for the financial industry include the complete liberalization of brokerage trading commission fees, and an easing of the restrictions on business between banks and securities houses.

In the sector of distribution, Tanaka's proposal calls for deregulation in the coastal shipping and port industries and for the operators to be allowed to set fees in the freight train industry without prior permission from the government.

In information communications, it calls for the entry of foreign companies into the Japanese market to be facilitated and for the requirement to obtain permission before setting charges for services to be abolished.

Japan: Ministries React to EPA Chief's Degulation Proposals

OW1207145396 Tokyo KYODO in English 1210 GMT 12 Jul 96

[FBIS Transcribed Text] Tokyo, July 12 KYODO — A six-point deregulation proposal made by the Economic Planning Agency (EPA) Chief Shusei Tanaka on Friday met with the cold shoulder from government ministries concerned.

In the proposal, Tanaka urged that quicker deregulation be implemented in six industry sectors — employment, land, housing, finance, distribution and information communications.

As for the sector of distribution, Tanaka called for deregulation in the coastal shipping and port industries and for the operators to be allowed to set fees in the freight train industry without prior permission from the ministry.

But a senior official of the Transport Ministry dismissed the proposal, saying, "we've just finished working on deregulatory measures over the next few years." "In order to activate distribution, improving infrastructure for transportation is necessary, besides deregulation."

A senior official of the Posts and Telecommunications Ministry also responded coolly to the proposal, which calls for the entry of foreign companies into the Japanese data communications market to be facilitated and for the requirement to obtain permission before setting charges for services to be abolished.

"We have already decided to abolish the permission system in setting fees by the end of fiscal 1996 next March and allow operators to set fees only by reporting to us," he said.

As for foreign access to the Japanese market, the official said the Posts Ministry has already been working with related ministries toward abolishing regulations that make it difficult for foreign companies to enter the market.

Japan: MPT Decides To Boost Shipbuilding by Easing Regulations

OW1207140496 Tokyo KYODO in English 0833 GMT 12 Jul 96

[FBIS Transcribed Text] Tokyo, July 12 KYODO — The Ministry of Transport [MPT] has decided to boost the nation's shipbuilding capacity by easing regulations in place for nearly two decades, ministry officials said Friday.

The officials said the decision will be conveyed to shipbuilding companies by the end of July.

The step is designed to strengthen the shipbuilding industry's international competitiveness and tide over rising competition from South Korea, they said.

Deregulation in the shipbuilding industry has been proposed by a subgroup of the ministry's advisory panel, the council for rationalization of shipping and shipbuilding industries.

The existing regulations designed to promote the scrap-and-build process to keep shipbuilding capacity unchanged were enforced following the second global oil crisis triggered in the Islamic revolution in Iran in 1978.

The regulations keep the nation's shipbuilding capacity unchanged by limiting the maximum sizes of vessels build by Japanese shipyards.

The restrictions on the size of vessels to be built in Japan will be removed and the nation's shipbuilding capacity will be boosted by around 2000, when demand for new ships is expected to pick up, the officials said.

Japan: Hashimoto Urges Structural Reforms of Economy

OW1507084096 Tokyo KYODO in English 0825 GMT 15 Jul 96

[FBIS Transcribed Text] Tokyo, July 15 KYODO — Prime Minister Ryutaro Hashimoto on Monday noted the need for the government to compile the fiscal 1997 budget to promote structural economic reforms, government officials said.

The officials said Hashimoto made the remark at a study meeting with economists to review the process for formulating state budgets currently being made by the government and ruling coalition.

"It is important to distribute budgetary outlays to priority areas such as scientific development and structural reforms of the economy in view of the government's financial constraints," he was quoted as saying.

Hashimoto said it was not necessary to change the budget formulation process in which the government sets ceilings for budgetary requests by ministries and agencies.

He said he would wait and see the next quarterly economic survey by the Bank of Japan before deciding on a supplementary budget.

The two-hour study meeting was attended by six leading economists and business leaders, including economic commentator Naoki Tanaka and Takashi Imai, vice chairman of the federation of economic organizations (Keidanren) and president of Nippon Steel Corp., the officials said.

Japan: Vice Finance Minister Sees Economy Moving Toward Recovery

OW1507102096 Tokyo KYODO in English
0942 GMT 15 Jul 96

[FBIS Transcribed Text] Tokyo, July 15 KYODO — Vice Finance Minister Tadashi Ogawa said Monday the Japanese economy was moving toward recovery.

"The nation's economic recovery is becoming evident," Ogawa said at a news conference.

A similar assessment was made recently in a monthly report by the Economic Planning Agency (EPA), he said.

In its July report, the EPA said the economy was continuing to stage a recovery with strong private-sector demand.

Ogawa brushed aside concerns that the yen's decline against the dollar would raise inflationary pressure by boosting prices of imported goods. Japan's prices are mostly stable, he said.

He reiterated there was no need for the government to give in to demands for a supplementary budget for fiscal 1996 which ends next March 31.

Some ruling coalition members and business leaders have been calling for a supplementary budget, saying economy-boosting effects from last September's record 14.2 trillion yen pump-priming package were expected to wither in the second half of fiscal 1996.

Japan: YOMIURI Says BOJ To Raise Discount Rate in Jul

OW1407015396 Tokyo KYODO in English
0145 GMT 14 Jul 96

[FBIS Transcribed Text] Tokyo, July 14 KYODO — The Bank of Japan (BOJ) is expected to raise its official discount rate by 0.5 percentage point to 1.0 percent per annum as early as this month because of Japan's expanding economic recovery, a national daily reported Sunday.

The YOMIURI SHIMBUN said the central bank will correct the ultra-low interest rate policy as the economy is now on a self-sustainable recovery track.

The rate hike will mark an end to the easy monetary policy taken by the central bank for the past six years to counter the economic slump that followed the collapse of the "bubble" economy in the late 1980s.

During the last round of credit easing, the BOJ cut the discount rate nine times, bringing down the rate charged on loans to commercial banks from 6 percent to an historic low of 0.5 percent last September.

In the last rate cut in September 1995, the BOJ said it cut the discount rate by 0.5 percentage point as an "emergency" step to counter deflationary fears that stemmed from sharp falls in prices.

The YOMIURI said the BOJ is planning the rate hike in view of recent rises in consumer spending, mainly on durable goods such as cars and electrical appliances, and corporate capital spending in information-related and other industries.

The BOJ's move is also prompted by a spreading recovery in capital spending among both major and smaller companies, receding deflationary fears and improving corporate earnings as a result of business restructuring, the daily said.

Japan: BOJ Plans To Contribute 100 Billion Yen to 'Jusen' Fund

OW1207152396 Tokyo KYODO in English
1507 GMT 12 Jul 96

[FBIS Transcribed Text] Tokyo, July 12 KYODO — The Bank of Japan (BOJ) plans to contribute 100 billion yen to create an investment fund for easing taxpayers' burden in liquidating failed "jusen" housing loan companies, BOJ sources said Friday.

The central bank will make an official announcement as early as late next week after thrashing out the details, the sources said.

The ruling coalition parties are asking financial institutions to put up a total of 800 billion yen to create the fund.

The tripartite ruling coalition has asked banks that founded the seven mortgage loan companies to contribute 650 billion yen and agricultural lending institutions, major creditors to the mortgage companies, to donate 150 billion yen, coalition sources said.

The 800 billion yen from the founder banks and agricultural lending institutions will be invested in government bonds and other financial tools for 15 years to earn about 500 billion yen in investment returns, they said.

The ruling coalition is seeking to offset 685 billion yen in taxpayers' money for the mortgage company liquidation scheme by using the investment returns from the fund and strengthening efforts to recover loans made by the housing loan companies, the sources said.

The BOJ also plans to contribute 100 billion yen to the fund, but the money from the central bank will be managed in a separate account to cover the fund's operational costs, they said.

Financial industry sources said the founder banks and agricultural institutions are basically planning to accept the request from the ruling coalition.

Norinchukin Bank and other agricultural lending institutions are expected to decide on their acceptance around July 18, they said.

Japan: Hashimoto Urges 'Wholesale' Review of Public Works Outlays

OW1207133096 Tokyo KYODO in English 1140 GMT 12 Jul 96

[FBIS Transcribed Text] Tokyo, July 12 KYODO — Prime Minister Ryutaro Hashimoto ordered cabinet ministers concerned Friday to put together as soon as possible specific steps to alter the allocations of public works spending through a wholesale review, government officials said.

Hashimoto gave the instructions at a meeting of cabinet ministers concerned with ceilings on budget requests by government ministries and agencies for fiscal 1997 which begins in April.

The instructions are in response to public criticism that the bulk of public works expenditures has been made for civil engineering work, with outlays for data communications, and other science and technology-related sectors limited, the officials said.

It is the first time that Hashimoto has referred to a change in the allocation of public works spending in conjunction with a review of budget ceilings.

At Friday's meeting, cabinet ministers agreed that the government should boost in fiscal 1997 a "priority" quota of 300 billion yen set aside in fiscal 1995 and 1996 state budgets for public investment, the officials said.

The government and ruling coalition will consider expanding the quota to 600 billion to 1 trillion yen, they said. But officials of the Finance Ministry's budget bureau remain reluctant, saying the government should first specify projects to be implemented with the priority quota fund.

The government set aside 9.6 trillion yen for public works spending in the fiscal 1996 budget, up 4.1 percent from the previous year and accounting for 12.85 percent of the general account budget for fiscal 1996.

Japan: Kubo Urges Reviewing Personnel, Defense, ODA Budget

OW1207062296 Tokyo KYODO in English 0551 GMT 12 Jul 96

[FBIS Transcribed Text] Tokyo, July 12 KYODO — Finance Minister Wataru Kubo called Friday for reviewing budget outlays for government personnel, defense and Official Development Assistance (ODA), which have so far been exempted from restriction.

Kubo stressed the Finance Ministry's plan not to permit any "sanctuaries" immune to spending cuts, as he spoke at a third unofficial cabinet meeting to review ceilings on budget requests by ministries and agencies for fiscal 1997 beginning next April 1, session participants said.

The ministry is to review outlays totaling some 20 trillion yen for government personnel, defense, ODA, social security and other areas in order to put the state finances in order, according to ministry officials.

Kubo "did not set forth figures, but he said the state finances are in a critical situation and we should not carry over trouble to the future," Chief Cabinet Secretary Seiroku Kajiyama told a press conference.

Kubo is expected to submit concrete plans on budget ceilings at a fourth unofficial cabinet session next Tuesday.

Prime Minister Ryutaro Hashimoto told reporters after the meeting, "opinions we shared are that the fiscal situation is very severe and that we have to promote fiscal structural reform."

Kubo concluded the meeting by saying that even spending for pay for government employees and other obligatory expenses should not be made a "sanctuary," Hashimoto said.

Economic Planning Agency Chief Shusei Tanaka submitted measures to the meeting to materialize his proposal to promote deregulation of the information and communications, land and housing, employment, distribution and health care sectors.

Ministries and agencies are required to study how to implement these deregulation recommendations.

Also during the meeting, ministers agreed that ministries and agencies will not hold rallies inviting influential politicians to push for their budget allocations, Kajiyama said.

Shortly after the fourth cabinet meeting next Tuesday, the government and the three ruling parties will discuss the ceilings and the cabinet hopes to iron out a basic ceiling plan next Friday, Kajiyama said.

The cabinet plans to officially decide on budget ceilings by the end of July, and based on the ceilings, ministries and agencies will submit their budgetary requests to the Finance Ministry at the end of August.

At the first such session a week ago, the cabinet agreed that Japan's rigid state budget allocations must be thoroughly reviewed because of severe budgetary constraints.

During the second meeting last Tuesday, they shared a view that the government should drastically promote deregulation as part of efforts to reduce state deficits.

Japan's outstanding balance of government bonds is projected to reach 241 trillion yen at the end of next March, equal to nearly 50 percent of the nation's gross domestic product.

Japan: Ministry Considers Curbing Growth in Technology Budget

OW1307065096 Tokyo KYODO in English 0633 GMT 13 Jul 96

[FBIS Transcribed Text] Tokyo, July 13 KYODO — The Ministry of Finance (MOF) is considering curbing a proposed sharp increase in appropriations for the general budget for science and technology in working out the fiscal 1997 budget, officials said Saturday.

A sharp increase in the budget for scientific and technological researches had been sought by coalition members.

The MOF will limit appropriations for the general budget for scientific and technological studies for fiscal 1997, which begins next April, to below the previous year-level for the first time in three years, they said.

The ministry will soon begin discussing the matter with coalition parties and ministries concerned, the officials said.

Areas under consideration for curbing growth in expenditures include studies for nuclear power and space development, they said.

Such appropriations for scientific studies rose 7.5 percent in fiscal 1995 and 10.9 percent in fiscal 1996, higher than the annual growth rate of 2 to 3 percent for overall general expenditures in those periods.

The ministry's stance reflects its concern for addressing strained state coffers, the officials said.

Meanwhile, the ministry will boost special appropriations in the fiscal 1997 budget for economic structural reform and some scientific studies, the officials said. The ministry earmarked 140 billion yen for those areas in fiscal 1996.

But to boost such appropriations, the ministry will propose a cut of more than 10 percent in clerical expenses and other ordinary outlays.

Japan: MOF Vows To Take Tough Stance on FY97 Budget

OW1507121596 Tokyo KYODO in English 1134 GMT 15 Jul 96

[FBIS Transcribed Text] Tokyo, July 15 KYODO — The Ministry of Finance (MOF) vowed Monday to take a tough stance when compiling the fiscal 1997 budget following large-scale budget deficits, ministry officials said Monday.

Takeshi Komura, director general of the ministry's budget bureau, indicated the firm stance in a meeting held to address the compilation of the fiscal 1997 budget, officials said.

Komura stressed to the meeting's budget examiners the need to review, without exception, all budgetary expenditures with a view to limiting them, they said.

As a first step Komura urged budget examiners to try their utmost to set upper limits on spending requests for fiscal 1997, they said.

The ministry plans to receive spending requests from government ministries and agencies in August after it has set the upper spending limits by the end of July. The ministry hopes to compile the fiscal 1997 budget by the end of December.

Japan's fiscal condition is considerably worse than that of the other Group of Seven (G-7) industrialized countries.

Japan's balance of outstanding government bonds is estimated to total about 240 trillion yen under the fiscal 1996 budget, accounting for nearly 50 percent of the nation's gross domestic product.

Japan: NEC, Others Invest in U.S. Identity Verification Firm

OW1507041496 Tokyo KYODO in English 0340 GMT 15 Jul 96

[FBIS Transcribed Text] Tokyo, July 15 KYODO — NEC Corp. and five other companies have invested anew in the Japanese subsidiary of Verisign Inc., a U.S. company that offers services for identity verification in electronic commerce, an NEC official said Monday.

NEC, together with Sumitomo Credit Service, Nippon Steel Corp., Softbank Corp., Mitsubishi Corp. and Nissho Iwai Corp., have each invested around 50 million yen for a total of 270 million yen in Verisign Japan K.K., the official said.

NEC hopes to use Verisign's services for verifying the identities of business partners in electronic commerce made through the internet, the official said.

Verisign Japan, set up in February by Verisign and three firms of the Nippon Telegraph and Telephone Corp. (NTT) Group, is expected to start full-fledged operations in September, the NEC official said.

Its capital currently stands at 345.80 million yen, a Verisign official said. The six companies now have about 4 percent equity stake each in the company, while the NTT group, which has made additional investment, holds a share of around 15 percent and Verisign has a stake of roughly 60 percent, the official said.

Japan: DA, Aircraft Manufacturers Plan To Retool F-15's

OW1307124996 Tokyo NIHON KEIZAI SHIMBUN in Japanese 12 Jul 96 Morning Edition p 1

[FBIS Translated Text] The Defense Agency [DA] and aircraft-related companies, including Mitsubishi Heavy Industries, Ltd. and Mitsubishi Electric Corporation, plan to embark on retooling the F-15, the Air Self-Defense Force's [ASDF] mainline combat aircraft. They first plan to remodel several units on a trial basis over a five-year period starting in FY97. The planes will be equipped with the latest flight control radar system and firearms. After evaluation tests, the F-15's currently in service will gradually undergo remodeling. The DA and aircraft makers are also considering joint projects with the U.S. Defense Department to develop a better emergency pilot ejection system. Although the F-15 is still considered the most powerful combat aircraft in the West, over 20 years have passed since its development. The aircraft's improved version will be able to defend itself against the latest antiaircraft missiles.

Although the United States has been proceeding with developing the F-22, its next-generation mainline combat aircraft, Japan has yet to decide when to adopt its next mainline combat aircraft. Even if Japan were to consider adopting a new combat aircraft after the term of the next defense buildup program (five-year period starting in FY2001), it will have to continue using the F-15 for about 20 more years. As a matter of fact, Japan will have to maintain its air power by combining the remodeled F-15 and the F-2, the next-generation support fighter, which the ASDF plans to begin deploying in 1999.

Currently, the ASDF possesses approximately 180 F-15's. Since new purchases of F-15's by the ASDF concludes with the purchase of four units in FY96, defense-related firms, including Mitsubishi Heavy Industries, have sought its remodeling.

Japan: Hashimoto Visits Hometown Okayama for LDP Seminar

OW1307023296 Tokyo KYODO in English 0121 GMT 13 Jul 96

[FBIS Transcribed Text] Okayama, Japan, July 13 KYODO — Prime Minister Ryutaro Hashimoto on Saturday arrived in his constituency in okayama prefecture, western Japan, for a one-day visit to attend a Liberal Democratic Party (LDP) seminar.

It is Hashimoto's first visit to his hometown since he took the premiership Jan. 11, except for a private visit in April to attend a friend's funeral.

Hashimoto is scheduled to hold a press conference in the city of Okayama after visiting his family graves and attending a party held to congratulate him on becoming prime minister.

In the afternoon, he will give a speech at the LDP's political, economic and cultural seminar in Okayama, then attend another congratulatory party and a tree-planting ceremony in Kurashiki. He will return to Tokyo on Saturday night.

Accompanying Hashimoto on the trip are top officials of the LDP, of which Hashimoto is president, including secretary General Koichi Kato and general council chairman Masajuro Shiokawa.

Japan: Coalition Leaders Comment on Timing of New Elections

OW1307121196 Tokyo KYODO in English 0911 GMT 13 Jul 96

[FBIS Transcribed Text] Tokyo, July 13 KYODO — Leaders of the ruling coalition parties, spending a busy Saturday on stumping tours in local cities, showed a stark division over when the House of Representatives should be dissolved for a snap general election.

Tomiichi Murayama, former Prime Minister and head of the Social Democratic Party (SDP), said in a speech in Mishima, central Japan, that Prime Minister Ryutaro Hashimoto should dissolve the lower house sometime after the government drafts the budget for fiscal 1997.

"Considering the diplomatic schedule, economic conditions and imminent tasks, (the period from) the end of this year to early next year is reasonable," Murayama said.

"(The dissolution) should be carried out only when the political situation is stalled," said Murayama, who passed the premiership to Hashimoto in January under the LDP-SDP governing alliance that also includes an LDP splinter group.

His remarks were in stark contrast to some leaders of Hashimoto's Liberal Democratic Party (LDP), who hope for an earlier dissolution, possibly soon after an extraordinary Diet session begins in October.

Meanwhile, Taku Yamasaki, chairman of the LDP's policy affairs research council, said in Fukuoka, western Japan, that Hashimoto might need to dissolve the Diet unless he can find a solution to problems over U.S. military bases in Okinawa, southwestern Japan.

"If Okinawa gov. (Masahide) Ota cannot cooperate in the forced use of land for U.S. military bases, a special law (to facilitate it) will be considered at the extraordinary Diet session, but when the SDP opposes it, we may have to hear the public's opinion (through a general election)," Yamasaki said in a speech.

Ota has refused requests by Hashimoto that the governor take legal steps required for the continued use of privately owned land for U.S. bases in Okinawa.

But another coalition leader belonging to the third alliance member, New Party Sakigake, voiced opposition to calling a snap election in connection with the proposed special land expropriation law.

"When an election is held over security issues, it will enhance the image (of the Hashimoto administration) as a hawkish government," said Yukio Hatoyama, Sakigake secretary general.

"Thus a dissolution over the issue of the special legislation will be difficult," Hatoyama told a gathering of voters in the Tokyo suburb of Matsudo, Chiba Prefecture.

Japan: SDP's Murayama To Set Up Policy Study Group for New Party

OW1307143296 Tokyo NIHON KEIZAI SHIMBUN in Japanese 12 Jul 96 Morning Edition p 2

[FBIS Translated Text] On 11 July, Social Democratic Party [SDP] Chairman Tomiichi Murayama decided to set up a policy study group comprised mainly of scholars in preparation for forming an alliance with New Party Sakigake and new political forces. For the alliance, Murayama hopes to work out by the end of summer policies and ideals that will be consistent with those adopted by Sakigake; Sakigake Secretary General Yukio Hatoyama, who has proposed the creation of a new party; and by "Local Network of Japan" (dubbed J Net; led by former Hokkaido Governor Takahiro Yokomichi and others). The idea has also surfaced of transforming the study group into a "round table conference" in the future, after gaining the participation of Hatoyama and Yokomichi.

Recommended as study group members are Tokyo University honorary Professor Hajime Shinohara, who wants an "SDP-Sakigake alliance"; Tokyo University Professor Susumu Takahashi; and Hokkaido University Professor Jiro Yamaguchi.

The SDP has already compiled a draft of "Japan's Vision," a policy proposal for a new party. However, Murayama thinks "the policy proposal is not good enough to gather various political forces not belonging to the key parties [the Liberal Democratic Party and the New Frontier Party]."

During a 6 July meeting in Otsu city, Sakigake head Masayoshi Takemura and Murayama agreed that a final decision should be made by the end of summer on whether or not they should jointly launch a new party, and that the two parties should hastily promote the adjustment of their policies.

The SDP has not changed its plan "to run in the next general election as a new party." However, prospects for creating a new party proposed by the SDP leadership are still dim. Also, there is intraparty confrontation between those who advocate a new party and those who take a cautious approach. Moreover, while Hokkaido and Kinki chapters of the SDP are seeking to gather new forces on their own, some party members have made moves to join a new party proposed by Hatoyama.

Murayama's attempt to draft new policies is aimed at not only giving Hatoyama, Takemura, and Yokomichi the signal to join the SDP-proposed new party but also clearing away the confusion within the SDP over the establishment of a new party. Yet, Hatoyama has expressed strong reluctance to join the SDP-proposed new party, in which many SDP members will participate. Thus, many people doubt that the policy study group's work will progress as Murayama wishes.

North Korea

DPRK Olympic Delegation Meets ROK Businessmen in Atlanta

OW1407082696 Tokyo KYODO in English
0805 GMT 14 Jul 96

[FBIS Transcribed Text] Atlanta, July 13 KYODO — A North Korean Olympic delegation held a dinner meeting Saturday outside Atlanta with South Korean business people working in the United States.

Six North Korean Olympic officials met at a suburban Korean restaurant with members of a South Korean trade association comprising South Korean companies located in southern U.S. states.

It was the first North-South exchange since the North Korean delegation of athletes arrived in the U.S. for the summer Olympic games starting Friday.

The meeting was dominated by a friendly atmosphere, attendants said.

DPRK: Yi In-mo Treated Like 'National Guest' in U.S.

SK1507094396 Pyongyang KCNA in English
0931 GMT 15 Jul 96

[FBIS Transcribed Text] Pyongyang, July 15 (KCNA) — The medical treatment of Yi In-mo, known as the incarnation of faith and will, in the United States is a typical example showing the noble benevolence of the respected general Kim Chong-il to the world.

This is the topic of an article contributed by Han U-hyon, a doctor of the Red Cross General Hospital of Korea, to MINJU CHOSON, the organ of the DPRK government.

He had been to the United States for this medical treatment.

In the article entitled "Noble Benevolence Striking the World With Admiration", the author says what he witnessed and felt during his overseas trip.

He writes as follows:

General Kim Chong-il, the highest representative of human love, is always concerned about Yi In-mo and repeatedly took measures to improve his health condition even a little.

Three years ago, in March 1993, Yi was repatriated to the northern half of Korea. At that time, he was no better than a "breathing fossil."

Since then has he regained his health.

The world people ascribed this miracle to the great human love of general Kim Chong-il.

The general said that the Workers' Party of Korea brought Yi back home and so it should completely cure his disease with any high-priced medicine or even with the help of famous doctors in the world, adding that it would allay his anxiety.

He personally initiated Yi's medical treatment at a famous hospital in a foreign country and took specific measures needed for this.

Under his benevolent care, Yi went to the world-famous Mount Sinai hospital in New York for medical treatment.

Moved by this, Americans treated Yi as if a national guest.

This is illustrated by the fact that Yi passed through the special exit for heads of state when he arrived in New York on May 30.

So, many journalists, not knowing this fact, waited for him at an ordinary exit in vain.

Instantly he arrived, the hospital accepted him before holding a general examination. This was a breach of usage. And they arranged a first-class ward for him.

Medical doctors made all their sincerity for his medical treatment, saying they could not imagine that such an old man would visit the United States from the DPRK.

Six able medical doctors — three of them were holders of doctor's degree — and four nurses attended the patient. And the hospital held consultative meetings of doctors on several occasions and repeatedly took medical measures.

Americans also directed special attention to Yi and made their sincerity for his convenience, saying that they heartily welcome him on a treatment tour of the United States under the special favour of the leader Kim Chong-il.

When Yi was released from the hospital, doctors voiced their admiration for the benevolent polities of the Workers' Party of Korea for the people. They pointed out that such a thing as Yi's medical treatment in the United States could not be seen before in the world.

Ethnic Koreans in the United States noted in unison that the respected general Kim Chong-il is the highest representative of human love and benevolent politics. They said that seeing Yi In-mo in the United States, they could not repress their longing for the general.

The South Korean puppets employed all conceivable means to slander Yi's medical treatment to block the influence of the benevolent politics of the general upon the people.

Through my experience, I deeply felt what a great influence the noble benevolent politics of the general had on the people who live in the capitalist society where money is almighty.

The author of the article stresses in conclusion that the health condition of Yi In-mo in Pyongyang is very good.

DPRK: U.S. Accused of Increasing Nuclear Threat on Peninsula

962C0075B Pyongyang NODONG SINMUN in Korean 23 Mar 96 p 6

[Article by Chong Yong-sik: "The Nuclear-Free Zone Movement as the Current of the Times"]

[FBIS Translated Text] The great leader Comrade Kim Il-song taught:

"To create the nuclear-free zone [NFZ], the peace zone, and keep expanding it is an important way to realize nuclear disarmament and prevent nuclear war, and to defend peace."

The efforts of the African peoples to make their continent nuclear-free finally came to fruition. According to reports, the work for the Africa NFZ Treaty has finally been completed. The treaty is also called the Berindaba Treaty. Berindaba is the name of a small village where the South Africa Atomic Energy Corporation is located. When the African Continent is officially declared an NFZ, it will be another vast zone so declared after the birth of the Southeast Asia NFZ.

The NFZ's thus established will then cover some 100 countries in Asia, Africa, Latin America, and Oceania. This precisely shows the success of the NFZ movement that has continued for decades now.

Efforts to make Africa an NFZ began a long time ago. The nuclear testing launched by France in Algeria in 1960 before Algeria's independence gave the African peoples a strong shock. They felt that they must make Africa nuclear-free. In 1964, the then fledgling OAU declared Africa an NFZ. A 1965 an UN resolution recognized the African Continent as an NFZ. In consequence, France had to move its testing ground to a South Pacific island. But the Africa NFZ plan could not be carried out immediately. It was because South Africa under the apartheid government then was against it. It was only after the apartheid government was replaced by the present government in South Africa that the NFZ movement could make headway. In the "Berindaba Treaty," African nations made clear their fundamental position to prohibit nuclear weapons from being manufactured or brought in, and to make their continent an NFZ. Also, through a protocol attached to the treaty, they made a strong call for global nuclear disarmament, insisting that all principles in the treaty would prove invalid unless nuclear nations sign it. They urged nuclear nations to be signatories to and provide their guarantee for the treaty. They also raised the issue of promoting "denuclearization diplomacy" with Israel for "a nuclear-free Mideast."

The NFZ struggle of the Latin American peoples also has produced brilliant results. The work for the Treaty for the Prohibition of Nuclear Weapons in Latin America ("Treaty of Tlatelolco") was completed last year. All the 33 countries in the Latin America region signed it. The United States, France, and the Netherlands, which keep their territories in the region, signed the protocol of the treaty, along with China and Russia. Latin American nations aspiring to get rid of the nuclear threat launched the work for that treaty in 1967. The number of signatories to the treaty had increased since then. Countries reserving their decisions or refusing to sign had all joined in the treaty by last year, while nuclear nations came forward with their guarantee for the treaty under the strong pressures from the peoples in this region. As the result, the completion of the work for the "Treaty of Tlatelolco," declaring all the Latin American countries nuclear-free and guaranteed by nuclear nations, was reported to the UN General Assembly session in October last year by the secretary general of the treaty's supervisory organization.

Today the 16 member countries of the South Pacific Forum [SPF] are carrying on a vigorous struggle against nuclear weapons and for the denuclearization of the South Pacific region. The South Pacific NFZ Treaty ("Rarotonga Treaty") was adopted in 1985 by a large majority of SPF member nations. They had come up with the NFZ concept as they sought to halt the increasing number of nuclear tests in and passage of nuclear weapons through the region, and to prevent the damage and danger involved. A large majority of SPF countries signed the treaty in Rarotonga Island, part of the Cook Islands, in 1985. The treaty took effect in December 1986.

As the NFZ movement gained momentum globally, Southeast Asian countries established their NFZ for the first time in Asia. The 10 Southeast Asian countries all signed the NFZ Treaty at an ASEAN summit in Bangkok, Thailand, in mid-December last year. Southeast Asian countries, in particular ASEAN nations, had been working on their NFZ plan and endeavoring for its materialization, in a struggle that continued a decade in defiance of imperialists' interferences and challenges. Their wishes came true finally last year.

As the NFZ movement became the trend of the times, nuclear nations found themselves with no alternative but to accede to it. On 2 March, the French president expressed France's readiness to sign the Southeast Asia NFZ Treaty, saying that he "has yet to resolve a series of technical issues with other nuclear nations." He also said that he would sign the "Treaty of Rarotonga" too. France had declared an end to its South Pacific nuclear testing program. A series of other nuclear nations also expressed their intent to sign the treaties.

The NFZ movement came to face challenges from some nuclear powers. They are maneuvering to alter the basic nature of the movement by attaching various strings to the treaties. Especially, the United States is openly refusing to sign the Southeast Asia NFZ Treaty. A U.S. presidential envoy who visited Indonesia on 8 February reiterated Washington's view against signing it. The United States is demanding the rewriting of some paragraphs contained in the protocol calling for the signing of nuclear nations. The United States does not welcome the creation of the Southeast Asia NFZ because it, in Washington's view, conflicts with the U.S. strategic interests. It is the unchanging U.S. position to maintain the monopoly on nuclear weapons and, based on it, attain its hegemonic ambition. If the NFZ should be created all over, it would impose restrictions on the U.S. nuclear strategy. Washington fears that if it should sign the Southeast Asia NFZ Treaty, it will no longer be able to deploy its nuclear weapons or freely conduct nuclear war exercises in the region, and that consequently the treaty will bind the United States hand and foot.

Of all the regions in the world, it is the Korean Peninsula that should be turned into an NFZ with priority. It is because numerous nuclear weapons are deployed and U.S. nuclear war exercises are conducted continuously in South Korea. The DPRK proposed early on the denuclearization of the Korean Peninsula to end the grave nuclear threat there and has since made every effort for its realization with all sincerity.

But the United States, while opposing the proposed denuclearization, is further intensifying the nuclear threat. If war should break out on the Korean Peninsula because of the United States, it will be a nuclear war and its flames can easily spread to other regions. This is the very reason why the world's peace-loving peoples are strongly demanding the denuclearization of the Korean Peninsula.

We, as in the past, will continue our vigorous struggle in the future for the denuclearization of the Korean Peninsula and Northeast Asia.

To press on the NFZ movement even more vigorously is a sacred cause for peace, prosperity, and progress. When we expand the NFZ, the peace zone, boundlessly, the nuclear war threat will diminish and the building of a peaceful world will accelerate.

DPRK: U.S.-ROK 'Provocative War Exercises' Denounced

SK1407064096 Pyongyang KCNA in English 0636 GMT 14 Jul 96

["War Exercises Against DPRK" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 14 (KCNA) — The U.S. imperialist warmaniacs and the South Korean puppets staged provocative war exercises against the North in the period from July 9 to 12 with the mobilisation of many warplanes of various types, according to military sources.

Between July 9 and 11, the U.S. imperialist warmaniacs frantically staged an aerial exercise for gaining the air supremacy and a drill for making a surprise bombardment on ground targets in the skies above the West Sea [Yellow Sea] of Korea and forefront areas with the mobilisation of overseas-based fighter bombers and other warplanes.

The cases of aerial espionage committed with strategic and tactical reconnaissance planes numbered eight on July 9, seven on the 10th and ten on the 11th.

On July 11 and 12, the South Korean puppets carried hundreds of the puppet army soldiers and lethal equipment with over 10 heavy tanks and 30 helicopters and deployed them in forefront areas.

In this period, artillery groups of the South Korean puppets stationed in the eastern and central sectors of the front fired over 450 shells toward the North.

On the 12th, hundreds of puppet army soldiers took combat positions in areas along the Military Demarcation Line and fired more than 1,600 bullets at random with 12.7 mm machine guns and rifles, thus seriously getting on the nerves of the North.

If the U.S. imperialists and the South Korean puppets dare unleash a war against the desire of the nation for peaceful reunification, they will certainly sustain their own destruction.

DPRK: Memorandum Against UN Command Distributed as UN Document

SK1407063696 Pyongyang KCNA in English 0631 GMT 14 Jul 96

["Memorandum Distributed as U.N. Document" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 14 (KCNA) — The Foreign Ministry of the Democratic People's

Republic of Korea published a memorandum laying bare the actual conditions of the "U.N. Forces Command" in South Korea on June 25 after a "report" aimed at proving the value of its existence was submitted.

The memorandum was distributed as official document of the UN Security Council S/1996/505 on July 1.

DPRK: CPRF Statement Denounces ROK's Student 'Suppression'

SK0907052996 Pyongyang KCNA in English 0320 GMT 9 Jul 96

["Brutal Suppression of Pro-Reunification Democratic Forces Denounced" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 9 (KCNA) — The Secretariat of the Committee for the Peaceful Reunification of the Fatherland issued Information No. 718 on July 8, denouncing the Kim Yong-sam group for their recent intensified suppression of the pro- reunification democratic forces, including patriotic students in South Korea.

On the third of July, the Kim Yong-sam group arrested a student of Yonsei University Kim Chong-un, fourth-term chairman of the National United Students, and Kim Chong-tu, a registered student of Songgyungwan University, on the charges of violating the "National Security Law [NSL]", alleging that they "schemed" to form an organisation that involves some 60 university student councils throughout South Korea and that they "read seditious books".

Earlier, on June 29, the Kim Yong-sam group threw behind bars 13 leading members of the General Student Council of Chonnam National University by invoking the notorious "NSL" for the mere reason that they set up an incense-burning stand and held mourning ceremonies when the great leader Comrade Kim Il-song, the father of the nation, passed away two years ago.

The information says that the wholesale arrest is the last-ditch effort of the puppet clique to put down the patriotic struggle of the students which is gaining momentum with each passing day and to prolong their remaining days by force of arms.

The suppression of the students who mourned over the death of the father of the nation two years ago, it notes, is an unpardonable immoral act added to the past irrevocable crimes the Kim Yong-sam group committed in levelling guns at the fellow countrymen in bitter sorrow at the loss of their leader and a shocking crime that can be committed only by beasts.

It warns that the Kim Yong-sam group should draw a lesson from the miserable doom of the preceding fascist dictators, who resorted to sabre-rattling suppression, and immediately stop their brutal suppression of students and other pro-reunification democratic forces in South Korea.

DPRK: 'Rewards' for Defectors to DPRK Described

SK1407231096 Pyongyang Radio Pyongyang in Korean to South Korea 0900 GMT 13 Jul 96

[From the "Hour for South Korean Armed Forces" program]

[FBIS Translated Text] The following is a talk on the content of the decision by the Military Commission on treating those who once served in the enemy's army who now defect, either individually or collectively. Today, infinite admiration and respect for the great leader General Kim Chong-il [widaehan yongdoja kimjongil changgunnim], who is elucidating the great leader Generalissimo Kim Il-song's high intention, and a yearning for the northern half of the Republic, are both increasing with each passing day among the South Korean people. Amid this situation, there is a continuous increase in the number of soldiers of the South Korean army leaving the puppet army and defecting to the northern half of the Republic.

The decision by the Military Commission on treating those who once served in the enemy's army who now defect, either individually or collectively, points out the following to the officers and men of the South Korean army who defect to the northern half of the Republic in order to open a road for a free and happy new life:

Regarding those who defect to the DPRK after serving in the puppet army, their past will not be questioned and all rights and freedom as a citizen of the Republic will be guaranteed. Money to guarantee their living will be given to the defectors as well as state commendations for individual meritorious deeds and collective achievements (?for striking a blow to the enemies), all according to their exploits.

If defectors bring with them weapons or equipment related to combat technology, and provide classified military material, they will receive corresponding prize money.

If defectors want to study in schools or want to engage in academic research, they will be allowed to enter universities and related research institutes and study for free since scholarships are provided by the state.

If defectors want a place to work, arrangements will be made for them to work at the place they desire, and if they want to study abroad, they will be guaranteed all kinds of conveniences so they can study abroad according to their capability and temperament.

Defectors will be provided housing and daily necessities for free and will be guaranteed all possible conveniences in their everyday lives. If defectors want to serve in the army, they will be promoted according to their services and will be assigned to units related to all branches and services of the Korean People's Army.

Families that the defectors bring along and South Korean residents who also defect to the North will receive the same benefits as mentioned above.

If South Koreans who once served as policemen and civil servants defect to the North, their past will not be questioned, and they will be applicable to the above mentioned provisions.

The decision of the Military Commission also points out that money guaranteeing their living will be given to defectors according to the criterion of the (?rewards defectors receive), and prize money will be given to defectors who bring with them weapons and equipment related to combat technology.

DPRK: Commentary Berates ROK's 'Provocations' at MDL

SK1307054296 Pyongyang Korean Central Broadcasting Network in Korean 1223 GMT 12 Jul 96

[Commentary by Yun Pyong-son: "Maneuvers That Deliberately Aggravate Tensions"]

[FBIS Translated Text] The South Korean puppets are further aggravating tensions on the Korean peninsula by continually committing grave provocations against us along the Military Demarcation Line [MDL].

As has been reported, the puppets brought 90mm recoilless guns to the area of the MDL markers 0577 and 0589 in the central front on 10 July. A few hours earlier, some 100 armed bandits of the puppet Army came to the area in four military vehicles.

The bandits of the puppet Army, advancing to the area near the MDL, placed a 90mm recoilless gun in front of us. Taking the position of aiming and shooting with guns and automatic weapons at the soldiers of the People's Army who were carrying out normal guarding duties in our area on the opposite side, the bandits gravely threatened their lives.

In the meantime, in the western, central, and eastern front on that day, hundreds of the puppet Army bandits who trooped with complete combat readiness into the area of the MDL took a combat position and conducted an offensive operational exercise. At the same time, military vehicles loaded with murder equipment and ammunition boxes came there making commotions.

The puppets' repeated acts of provocation which are perpetrated in the area near the MDL between which the armed forces of the North and the South confront fiercely are intentional maneuvers to aggravate tensions that should not be overlooked.

To achieve reunification by northward invasion with foreign forces is the invariable wild ambition of the puppets and is the core of their so-called policy toward the North. For this, the puppets have been accelerating arms build-up and the modernization of the armed forces, escalating the aggravation of tensions while conducting war exercises continuously.

Therefore, South Korea has now become a powder magazine of war, a showcase of murder weapons, and a war launching site in which the density of the deployment of murder weapons is the greatest in the world with the weapons of mass destruction, including the U.S. nuclear weapons, packed in it.

For the Kim Yong-sam ring, which has already worked out a plan for northward invasion called Five-Stage 5027 Operation, what he will do next is to light the fuse of a war.

The puppets, which have turned the south side area of the DMZ into a completely militarized area and an offensive launching area for northward invasion, are continually perpetrating provocations, gnawing away in the area near the MDL, as intentional maneuvers to ignite a war. This is another act of crime aimed at driving the entire nation into the calamity of a new war.

The Kim Yong-sam ring, which is excited in a war fever, is watching for an opportunity to trigger a war of northward invasion [pukchim chongjaengui pangasoerul tanggil kihoemanul hositamtam norigoissumnida]. This is proven by the fact that the Kim Yong-sam ring inspires North-South confrontation, making such bellicose outbursts as "We should not simply think that the North is our compatriot, because such thought is dangerous to the national security" and "The problem between the North and the South can only be settled by means of military force" and that they are trying to find a way out of their serious governing crisis from the provocation of a war.

The out-of-the-ordinary military moves in the area of the MDL clearly shows who really wants peace and peaceful reunification and who really seeks war and division on the Korean peninsula.

Because of the Kim Yong-sam puppet clique's reckless provocations and war maneuvers, the Korean peninsula is now at the grave cross roads of war and peace. Although the acts of provocation provoking us are committed continually at the MDL, they are not expanded into armed conflict or an all-out war entirely because of the patient self-restraint of the soldiers of our People's Army.

However, there is a limit to patience. If the puppets miscalculate our patient effort as a sign of weakness and start a war, our people and People's Army will inflict a thousand-fold retaliatory attack to the provokers and root out the source of war in this land.

The Kim Yong-sam ring should squarely see that our warning is never empty talk and should not act recklessly.

DPRK: ROK Said To 'Aggravate Inter-Korean Confrontation'

SK1407072896 Pyongyang KCNA in English 0648 GMT 14 Jul 96

["Premeditated Military Adventure" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 14 (KCNA) — The South Korean puppets resort to military adventure, aggravating the situation on the Korean Peninsula.

They staged a war game called "regiment combat exercise" in Seoul area for five days from July 8.

NODONG SINMUN today brands this as a premeditated crime to aggravate inter-Korean confrontation and drive the situation to the phase of war.

The news analyst says:

By raising a military racket on the pretext of "threat" from the North, the puppets aim to incite antagonism against the North and war fever among the South Korean people and complete war preparations against the North.

The traitor Kim Yong-sam recently told his underlings to educate the South Korean people to regard the North as "enemy," not the same nation. Military spending is increased as never before, up-to-date lethal weapons are excessively imported from the United States and provocative military exercise are held in different parts of South Korea almost every day. These are motivated by their criminal purpose.

Facts clearly show the Kim Yong-sam group do not want peace and detente on the Korean Peninsula but seek confrontation and war against the North.

Unless the Kim Yong-sam group are removed, peace of the country and security of the nation cannot be achieved and the nation will be plunged into nuclear scourge. Aware of this, the South Korean people will never leave the group of warmongers alone.

DPRK: Kim Yong-sam Denounced as 'Accomplice' in Slush Fund Case

SK1507091596 Pyongyang KCNA in English 0858 GMT 15 Jul 96

[FBIS Transcribed Text] Pyongyang, July 15 (KCNA) — The Sunday edition of NODONG SINMUN carried an article laying bare the traitor Kim Yong-sam's deceptive call for "setting the modern history straight."

The daily said:

The South Korean dictator's call came when the people were pressing the demand to have all the former military dictatorial forces punished and the "presidential election" fund in 1992 fully revealed. In a bid to evade bitter resentment against himself and winning popularity, he felt it necessary to play such a despicable political drama.

It is height of sarcasm that the traitor, a defender of the military dictatorial forces, has been calling for their "liquidation".

Kim Yong-sam frustrated the movement for democracy, which was gaining momentum in South Korea, by joining hands with the military dictatorial forces of the "fifth and sixth republics" through the merger of three parties.

Crying for leaving the crimes of the Kwangju murderers to the mercy of history, he harshly suppressed the people who wanted to see the settlement of the past wrongs. When public demand for the investigation into the slush fund scandal grew stronger, he mobilized even armoured vehicles to defend No Tae-u and Chon Tu- hwan.

Though more than one million people took part in a signature campaign and demonstrations for the introduction of a special prosecutor system last year, he never lent an ear to their voices.

Through the deceptive call he intends to cover up his true colors as the kingpin of irregularities and an accomplice in the slush fund scandal and rid himself of the responsibility for corruption prevailing in South Korea. While crying for removing the "structure of corruption and politics-business collusion" overtly, he has still wooed business conglomerates covertly.

Kim Yong-sam does not hesitate to do any treacherous acts for his own sake. So, it goes without saying that his call for "setting the modern history straight" is only a deceptive slogan.

If the history is to be set straight in South Korea, the traitor must make public the "presidential election" fund and other slush fund and must be judged by history.

DPRK: Chinese Host Party on 35th Anniversary of Treaty

SK1307032696 Pyongyang KCNA in English 0321 GMT 13 Jul 96

[FBIS Transcribed Text] Pyongyang, July 13 (KCNA) — Chinese Ambassador to Korea Qiao Zonghuai gave a party at his embassy Friday [12 July] to mark the 35th anniversary of the signing of the Korea- China Treaty of Friendship, Cooperation and Mutual Assistance.

Invited to the party were Kim Yong-nam, vice-premier and foreign minister, Vice Marshal of the Korean People's Army Kim Kwang-chin, first vice-minister of the People's Armed Forces, and officials concerned.

A Chinese friendship delegation led by Luo Gan, state councillor and secretary general of the State Council of the People's Republic of China, commanding officers of the formation of warships led by Vice Admiral Wang Jiying, commander of the North China Sea Fleet of the Navy of the Chinese People's Liberation Army, and a delegation of the Chinese People's Association for Friendship With Foreign Countries [CPAFFC] and the China-Korea Friendship Association headed by Su Guang, vice-president of the CPAFFC, were present.

Qiao Zonghuai said at the party that the signing of the Sino- Korean treaty was an event of weighty significance in the history of friendly relations between the two countries. And it demonstrated to the whole world the common desire and will of the two countries and two peoples to strengthen solidarity, develop friendship and defend peace, he added.

Over the past 35 years China and Korea, the ambassador said, have enhanced many-sided cooperation in politics, the economy, culture, science and technology and other fields, and made great achievements in the course.

The two peoples have established great friendship at the cost of blood, fighting shoulder to shoulder and supporting each other in the protracted revolutionary struggle and socialist construction, he said.

"We are convinced," Qiao said, "that the industrious and intelligent Korean people with the revolutionary traditions will carry through the revolutionary cause of comrade President Kim Il- song, under the leadership of the Workers' Party of Korea [WPK] headed by Comrade Kim Chong-il, and thus attain their high goal without fail."

"We will as ever maintain the steadfast policy of constantly consolidating and developing the traditional Sino-Korean friendship and make all efforts for its implementation," he declared.

Kim Kwang-chin said in his speech that the parties, governments and peoples of Korea and China have made much effort to develop the precious bilateral friendship, established and fostered by leaders of the two countries, traversing trials of history together.

"China is a neighbour sharing the mountain and rivers with us and the Korean people sincerely hope that all things will always go well in China," he added.

The Chinese people, under the leadership of the Communist Party of China headed by Comrade Jiang Zemin, are now making signal achievements in fulfilling the 9th Five-Year Plan of the national economic and social development and the long-term plan by 2010, which are of importance in the building of socialism with Chinese characteristics, and reunifying the whole country according to the policy of "one country, two systems", he noted.

He said the Korean people will continue their efforts to consolidate and develop the traditional Korea-China friendly and cooperative relations through generations under the consistent policy of the WPK.

DPRK: Vice Premier Kim Yun-hyok, Delegation Return From PRC

SK1307092596 Pyongyang KCNA in English 0907 GMT 13 Jul 96

[FBIS Transcribed Text] Pyongyang, July 13 (KCNA) — The friendship delegation of the Democratic People's Republic of Korea led by Kim Yun-hyok, vice-premier of the DPRK Administration Council, which had taken part in the celebrations of the 35th anniversary of the signing of the Korea-China Treaty of Friendship, Cooperation and Mutual Assistance held in China, came back home today.

The delegation was met at the airport by Secretary General of the Administration Council Chong Mun-san, Vice Foreign Minister Choe U- chin and Chinese ambassador to the DPRK Qiao Zonghuai.

DPRK: PRC-DPRK Friendship Groups Send Gift for Kim Chong-il

SK1307094096 Pyongyang KCNA in English 0912 GMT 13 Jul 96

[FBIS Transcribed Text] Pyongyang, July 13 (KCNA) — The Great Leader Comrade Kim Chong-il received a gift from the Chinese People's Association for Friendship With Foreign Countries (CPAFFC) and the China-Korea Friendship Association.

The gift was handed to an official concerned by the head of the visiting delegation of the CPAFFC and the

China-Korea Friendship Association, Su Guang, who is vice-president of the CPAFFC.

DPRK: PRC State Councillor, Delegation Depart for Home

SK1307092296 Pyongyang KCNA in English 0904 GMT 13 Jul 96

[FBIS Transcribed Text] Pyongyang, July 13 (KCNA) — The Chinese friendship delegation led by Luo Gan, state councillor and secretary general of the Chinese State Council, left here today after its 4- day visit to the DPRK to celebrate the 35th anniversary of the signing of the Korea-China Treaty of Friendship, Cooperation and Mutual Assistance.

The delegation was seen off at Pyongyang railway station by Vice- Premier Chang Chol, Vice Foreign Minister Choe U-chin and Chinese Ambassador to the DPRK Qiao Zonghuai.

DPRK: 10-13 Jul Visit by PRC State Councillor Reviewed

SK1307132696 Pyongyang KCNA in English 0918 GMT 13 Jul 96

[FBIS Transcribed Text] Pyongyang, July 13 (KCNA) — The Chinese friendship delegation headed by Luo Gan, state councillor and secretary general of the State Council of the People's Republic of China, visited Korea from July 10 to 13 at the invitation of the Government of the Democratic People's Republic of Korea.

The delegation visited the Kumsusan Memorial Palace where the Great Leader President Kim Il-song is preserved in state and his statue on Mansu Hill to pay respects to him.

The DPRK Government gave a banquet for the delegation at the Mansudae Assembly Hall on July 10.

The delegation was invited to a banquet given by the Central Committee of the Korea-China Friendship Association and the Committee for Cultural Relations With Foreign Countries to mark the 35th anniversary of the signing of the Korea-China Treaty of Friendship, Cooperation and Mutual Assistance. In his speech Choe Hui-chong, chairman of the State Commission of Science and Technology and chairman of the Central Committee of the Korea-China Friendship Association, said the signing of the treaty has fully reflected the common desire of the Korean and Chinese peoples to consolidate and develop traditional relations of friendship and cooperation, forged in blood.

In his speech Luo Gan said that the Chinese party and government hope that peace and stability will be preserved in the Korean Peninsula and have always fully supported the reasonable proposals of the Korean party and government for relaxing the situation in this region, improving inter-Korean relations and achieving the independent and peaceful reunification of the country.

Vice-President Yi Chong-ok met and had a friendly conversation with the delegation on July 11.

During the stay in Korea the delegation visited Mangyongdae, the international friendship exhibition and other places.

DPRK: PRC Vice Admiral, Sailors Feted in Nampo 13 Jul

SK1407075596 Pyongyang KCNA in English 0712 GMT 14 Jul 96

[FBIS Transcribed Text] Pyongyang, July 14 (KCNA) — The sailors of the formation of Navy vessels of the Chinese People's Liberation Army led by Vice Admiral Wang Jiying, commander of the North China Sea Fleet, spent a meaningful day in Nampo on Saturday.

They attended a friendly evening with youth and students in Nampo and soldiers of the Korean People's Army.

The band of the formation gave a performance for guests of honour.

The participants in the evening danced and sang together, deepening friendly feelings.

The band put on stage Chinese and Korean songs.

The sailors of the formation visited a unit of the KPA this morning.

DPRK: PRC Commanding Officers, Sailors Visit War Victory Monument

SK1407021796 Pyongyang Korean Central Broadcasting Network in Korean 1400 GMT 12 Jul 96

[FBIS Translated Text] On 12 July, visiting commanding officers and sailors of the flotilla of naval ships of the Chinese People's Liberation Army led by Vice Admiral Wang Jiying, commander of the North China Sea Fleet, laid wreaths at the Monument to Victory in the Fatherland Liberation War. Kim Yun-sim, vice admiral of the Korean People's Army [KPA], and Liu Jianhua, military attache to the PRC Embassy in our country, were on hand.

KPA honor guards stood at the monument. While wreath-laying music was played, the wreath in the name of the flotilla of naval ships was placed at the monument. The visitors paid respect to the officers and soldiers of the KPA who registered heroic feats in the fatherland liberation war against the U.S. imperialists.

Commander Wang Jiying said he wishes the DPRK people greater success in socialist construction by displaying the same spirit of revolutionary struggle demonstrated at the fatherland liberation war. He said the friendship between the PRC and the DPRK will be eternal.

DPRK: PRC Commanding Officers, Sailors Visit Friendship Tower

SK1407015896 Pyongyang Korean Central Broadcasting Network in Korean 1400 GMT 12 Jul 96

[FBIS Translated Text] On 12 July, commanding officers and sailors of the flotilla of naval ships of the Chinese People's Liberation Army led by Vice Admiral Wang Jiying, commander of the North China Sea Fleet, laid wreaths at the Friendship Tower. Kim Yun-sim, vice admiral of the Korean People's Army [KPA], and Liu Jianhua, military attache to the PRC Embassy in our country, were on hand.

KPA honor guards stood at the Friendship Tower. While wreath- laying music was played, the wreath in the name of the flotilla of naval ships was placed at the Friendship Tower. The phrase "May the Chinese People's Volunteers [CPV] martyrs live forever!" was written on the ribbon attached to the wreath. The participants paid a silent tribute, cherishing the memories of CPV martyrs killed in the Korean war against the U.S. imperialist infiltrators. The delegation looked around the Friendship Tower.

Commander Wang Jiying wrote in the visitor's book: May the militant friendship forged with blood by the armies and peoples of the two countries during the struggle against the common enemy be eternal!

DPRK: PRC Commanding Officers, Sailors Visit Taesongsan

SK1407014596 Pyongyang Korean Central Broadcasting Network in Korean 1400 GMT 12 Jul 96

[FBIS Translated Text] On 12 July, visiting commanding officers and sailors of the flotilla of naval ships of the Chinese People's Liberation Army led by Vice Admiral Wang Jiying, commander of the North China Sea Fleet, laid wreaths at the Taesongsan Revolutionary Martyrs' Cemetery. Kim Yun-sim, vice admiral of the Korean People's Army [KPA], and Liu Jianhua, military attache to the PRC Embassy in our country, accompanied the delegation.

KPA honor guards stood at the cemetery. While wreath-laying music was played, a wreath in the name of the flotilla of naval ships was placed at the revolutionary martyrs' cemetery. The phrase "May the revolutionary martyrs of Korea live forever!" was written on the ribbon attached to the wreath. The participants paid a silent tribute, cherishing the memories of the martyrs who sacrificed themselves for the lofty cause of the fatherland's liberation and the people's freedom.

The guests then looked around the Revolutionary Martyrs' Cemetery. After looking around the Revolutionary Martyrs' Cemetery, Commander Wang Jiying said he came to know the exploits of the anti- Japanese martyrs all the more better, and said they will struggle to the end for communism and socialism.

Commander Wang Jiying wrote in the visitor's book: May the revolutionary martyrs, who fought heroically and devoted their blood and lives to realize Korea's independence and liberation, as well as to communist idealism during long revolutionary struggle, live forever!

DPRK: PRC Sailors Visit Revolutionary Museum

SK1307084896 Pyongyang KCNA in English 0819 GMT 13 Jul 96

["Sojourn of Formation of Vessels of Chinese Navy in Korea" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 13 (KCNA) — The formation of vessels of the Navy of the Chinese People's Liberation Army led by Vice Admiral Wang Jiying, commander of the North China Sea Fleet, is continuing its goodwill visit to Korea.

Commanding officers and sailors of the formation today visited the Revolutionary Museum of the Ministry of the People's Armed Forces, which is associated with the exploits performed by the great leaders President Kim Il-song and Comrade Kim Chong-il in army building.

On July 12, they inspected the Tower of the Chuche Idea and the Monument to Party Founding in Pyongyang and appreciated a performance given by the Nampo Municipal Art Troupe.

Vice Admiral Wang in the visitor's books wrote they believe that the Korean people would build a more prosperous country under the guidance of the supreme commander, Comrade Kim Chong-il.

On the same day, a friendly basketball game took place in Nampo between sailors of the formation and the Korean People's Army.

DPRK: KPA, PLA Sailors Meet on Chinese Flagship 13 Jul

SK1307093796 Pyongyang KCNA in English 0911 GMT 13 Jul 96

["Meeting of Korean and Chinese Sailors" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, July 13 (KCNA) — Sailors of the Korean People's Army [KPA] and the formation of vessels of the Navy of the Chinese People's Liberation Army [CPLA or PLA] met aboard the flagship "Harbin" today.

Conducted by commanding officers of Chinese warships, KPA seamen inspected military equipment and facilities installed on the ships "Harbin" and "Xining".

Addressing the meeting, Senior Commander Zhang Xiyu, chief of the Propaganda Department of the formation, said, "I would like to express thanks for the warm welcome and hospitality our formation has been accorded by the Korean people and servicemen during its visit to your beautiful country."

"During the stay we have become more convinced that the friendship between peoples of China and Korea is very deep and sincere," he said. "This friendship will be consolidated and developed forever."

KPA Captain Pak Sun-son said, "We hope that the sailors of the CPLA Navy, under the leadership of the Communist Party of China headed by respected Comrade Jiang Zemin, will make great achievements in building up a revolutionary, modern and regular army."

An art performance of sailors of the two countries was given at the meeting.

The sailors danced and sang together with a joy at their meeting.

A silk banner in the name of the KPA Navy was conveyed to a commanding officer of the formation at the meeting.

Sailors of the two countries conversed and had pictures taken with each other, further deepening the feelings of friendship.

On Friday a gathering of schoolchildren in Nampo Municipality and Chinese sailors was held aboard the vessel "Harbin".

DPRK: Visiting PRC Flotilla Brings Gift for Kim Chong-il

SK1307095296 Pyongyang KCNA in English 0914 GMT 13 Jul 96

[FBIS Transcribed Text] Pyongyang, July 13 (KCNA) — The Great Leader Comrade Kim Chong-il received a gift from the formation of warships of the Navy of the Chinese People's Liberation Army (CPLA).

Vice Admiral Wang Jiying, commander of the North China Sea Fleet of the CPLA Navy, on a goodwill visit to the DPRK, handed the gift to an official concerned.

DPRK: Visiting PRC Vice Admiral Hosts Banquet 13 Jul

SK1407150696 Pyongyang Korean Central Broadcasting Network in Korean 0600 GMT 14 Jul 96

[FBIS Translated Text] Vice Admiral Wang Jiying, commander of the North China Sea Fleet of the Navy of the Chinese People's Liberation Army [CPLA], hosted a banquet on the flagship Harbin on the evening of 13 July as part of the visit to the DPRK of the flotilla of naval vessels.

Invited there were Vice Marshal of the Korean People's Army [KPA] Kim Kwang-chin, first vice-minister of the People's Armed Forces; Admiral of the KPA Kim Il-chol; Pak Sung-il, responsible secretary of the Nampo Municipal Committee of the Workers Party of Korea and chairman of the Municipal People's Committee; (Pak Myong-tok), chairman of the Nampo Municipal Administrative and Economic Committee; officers and men of the KPA; and functionaries of the Nampo Municipal party, regime, administrative, and economic organs.

Present at the banquet were members of the flotilla of vessels of the Navy of the CPLA; Qiao Zonghuai, Chinese ambassador to the DPRK; and embassy officials.

Commander Wang Jiying, who gave a speech, at the banquet said that the two countries of China and the DPRK are good neighbors which share mountains and rivers and which have relations of lips and teeth, and that the peoples and armies of the two countries are brothers and comrades-in-arms.

He said that during his stay he witnessed the diligence and sagacity of the Korean people who are exerting all their efforts to build socialist revolution and socialist construction in single- hearted unity under the leadership of the Supreme Commander Comrade Kim Chong-il and party. He also observed that the KPA is possessed with a strong fighting spirit, iron-like rules, and magnificent virtues. He said that they were greatly encouraged at this.

He said he truly hopes that there will be greater results by the Korean people in the struggle for socialist construction.

Vice Admiral of the KPA Kim Yun-sim who spoke next said that the visit to the DPRK by the flotilla of naval vessels of the Navy of the CPLA has great significance in consolidating and developing the DPRK-China friendship with a long historical tradition generation after generation.

He added that this time, the peoples and armies of the two countries once again demonstrated their firm determination to continue to develop the DPRK-China friendship, which was firmly forged in the common struggle for the socialist cause against imperialism and which has constantly been consolidated on such a legal basis as the DPRK-China Treaty of Friendship, Cooperation, and Mutual Assistance.

Participants at the banquet prayed for the eternal life of the Great Leader Comrade Kim Il-song, and drank a toast to the eternal friendship and unity between the peoples and armies of the two countries of the DPRK and China; for the respected and beloved [kyongaehanun] Supreme Commander Comrade Kim Chong-il's long life; and for the long life of the Chinese leaders including the respected Comrade Jiang Zemin.

DPRK: CPLA Navy Military Band Gives Performance in Nampo

SK1507013196 Pyongyang Korean Central Broadcasting Network in Korean 0600 GMT 14 Jul 96

[FBIS Translated Text] The military band of the formation of Navy vessels of the Chinese People's Liberation Army [CPLA] gave a performance at Nampo Theater on 14 July.

Generals and officers, including Kim Yun-sim, lieutenant general of the Korean People's Army [KPA]; (Kim Chang-mok), secretary of the Workers Party of Korea [WPK] Nampo Municipal Committee; (Kwon Yun- ik), vice chairman of the Nampo Municipal Administrative and Economic Committee; and workers in the city saw the performance.

Commanders of the formation of Navy vessels of the CPLA also saw the performance.

The performance began with the playing of "The Song of General Kim Il-song." As the rhythm of the immortal revolutionary song resounded throughout the recital hall, the audience was filled with a sense of solemnity.

The performers colorfully adorned the stage with a concert of military music, an ensemble of three instruments, and other performances.

By playing the military concert and series of military songs, including "Good News From Beijing Has Reached Outposts Along the Border," the performers reflected the vigorous posture of the officers and men of the CPLA, who are firmly defending the socialist fatherland, as well as their revolutionary and militant spiritual world, doing so with light and cheerful melodies.

The performers also played our country's songs including "March of the Guerrillas" and "We Dash Forward By Riding on Chollima." Through these songs, they expressed the spirit of our people and soldiers of the People's Army, who are vigorously advancing forward with the high spirit to carry to accomplishment the chuche revolutionary cause pioneered at Paektu. The performers pleased the audience.

The performance ended with the music "Fatherland, We Wish You To Inspect the Marine" played by the military band while in marching.

Flower baskets were presented to the performers in congratulation of their successful performance.

DPRK: PRC Navy Flotilla Departs Nampo for Home 14 Jul

SK1407080596 Pyongyang KCNA in English 0714 GMT 14 Jul 96

[FBIS Transcribed Text] Pyongyang, July 14 (KCNA) — The formation of Navy vessels of the Chinese People's Liberation Army led by Vice Admiral Wang Jiying, commander of the North China Sea Fleet, left Nampo Port this afternoon after a five-day goodwill visit to Korea.

The port city of Nampo was in a warm atmosphere to see off the Chinese warships that were leaving after deepening the feelings of traditional friendship and solidarity between the Korean and Chinese peoples and armies.

KPA Vice Admiral Kim Yun-sim and other generals and officers, Secretary of the Nampo Municipal Committee of the Workers' Party of Korea Kim Sang-uk and Vice-Chairman of the Nampo Municipal Administrative and Economic Committee Kwon Yun-ik were present at the wharf.

Chinese Ambassador to Korea Qiao Zonghuai, Military Attache Liu Jianhua and embassy officials were also present.

A farewell ceremony took place at the wharf.

The flagship "Harbin" and another missile destroyer "Xining" left Nampo Port amid warm sendoff of working people in Nampo and KPA soldiers.

DPRK: 'Korea-China Friendship in Bloom' After Visits

SK1407075396 Pyongyang KCNA in English 0710 GMT 14 Jul 96

["Korea-China Friendship in Bloom"]

[FBIS Transcribed Text] Pyongyang, July 14 (KCNA) — The formation of navy vessels of the Chinese People's Liberation Army left Nampo Port today after its five-day goodwill visit to the DPRK.

Together with the Chinese friendship delegation led by Luo Gan, state councillor and secretary general of the State Council of China, which left for home on Saturday, the formation participated in celebrations of the 35th anniversary of the signing of the Korea-China Treaty of Friendship, Cooperation and Mutual Assistance held in Korea and deepened friendly feelings with the Korean people.

During the visit, the delegation and the formation conveyed the friendly feelings and greetings of the Chinese people and servicemen to their Korean counterparts and received warm welcome from the Korean people and servicemen everywhere they went.

The significant events in Korea and China marking the anniversary of the treaty were a graphic example of friendship and solidarity between the two countries and patent proof that the traditional Korea-China friendship is being consolidated generation after generation.

This friendship is a valuable one established and developed by the leaders of the two countries and a traditional one which has withstood all trials of history.

This unbreakable friendship has been cemented in practice over the 35 years since the signing of the treaty.

The two peoples have achieved tremendous successes in socialist construction, supporting, solidarizing and helping each other.

To develop this friendship generation after generation is the earnest wish of the Great Leader President Kim Il-song and a consistent policy of the Workers' Party of Korea and the DPRK Government.

The Korean people are determined to value this friendship and make every possible effort to strengthen it, as wished by President Kim Il-song, who performed enduring feats in the history of Korea- China friendship.

In his message of greetings to Comrade Jiang Zemin on the occasion of this anniversary, the Great Leader Comrade Kim Chong-il expressed the belief that the relations of traditional friendship and cooperation between Korea and China will constantly grow in strength in the interest of the two peoples.

During the events, the Korean people wished the Chinese people fresh success in the efforts to fulfill the Ninth Five-Year Plan of National Economic and Social Development, which is of great importance in the building of socialism with Chinese characteristics, and attain the long-term objectives by the year 2010 and reunify the country on the principle of "one country, two systems," rallied behind the Communist Party of China headed by respected Comrade Jiang Zemin.

The Chinese people expressed their invariable position to develop Sino-Korean friendship, which was established and developed by the leaders of the old generation of the two countries.

In a meeting with the Korean friendship delegation led by Vice- Premier Kim Yun-hyok staying in Beijing to participate in celebrations in China, Comrade Jiang Zemin reiterated the position of the Chinese party and government to develop this friendship.

China and Korea are fraternal neighbours which are in the relations of lips and teeth in view of geography and historical factors, he said, adding that the Chinese Party and Government are deeply interested in Korea and will continue strenuous efforts to consolidate Sino-Korean friendship.

At a banquet in Pyongyang, Vice Admiral Wang Jiying, commander of the North China Sea Fleet, who was heading the formation of the Navy vessels of the CPLA, said that however the international situation may change, Sino-Korean friendship will be everlasting generation after generation like the flow of the Amnok River thanks to the care of the leaders of the two countries and joint efforts of the two sides.

Korea-China friendship, which was forged and consolidated in the joint struggle against imperialism and for independence, sovereignty and socialism, will constantly develop and grow in strength by joint efforts in the interest of the two peoples.

DPRK: Central People's Committee Greets Yeltsin on Reelection

SK1207151196 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 11 Jul 96

["Text" of a congratulatory message from the DPRK Central People's Committee to Russian Federation President Boris Yeltsin on his reelection as president on 10 July — read by announcer]

[FBIS Translated Text] Moscow

Your Excellency Nikolayevich Yeltsin, Russian Federation president:

We congratulate you for your reelection as Russian Federation president and firmly believe that the good-neighborly, friendly, and cooperative relations between the DPRK and the Russian Federation will develop in compliance with the interests of the people of the two countries.

[Signed] DPRK Central People's Committee

[Dated] 10 July 1996 Pyongyang

DPRK Article Reports 'Conspirators' Betrayal of Socialism

962C0072A Pyongyang NODONG SINMUN in Korean 24 Feb 96 p 6

[NODONG SINMUN Article by Kim Chong-ok: "The Betrayers of the Revolution Were Conspirators"]

[FBIS Translated Text] In his immortal classic work entitled "Treat with Respect Senior Revolutionaries is a Noble Sense of Moral Obligation on the Part of the Revolutionaries," the great leader [yongdoja] Comrade Kim Chong-il has noted: **After taking the leading positions of the party and state by way of machination, the betrayers of the revolution tried to win support from the people by defaming the reputation of the senior revolutionaries.** The betrayers of the revolution leave no stone unturned in order to achieve their objective.

First of all, they resort to a dark design to get themselves in the leading positions of the party and state. Examples can be found in the former Soviet Union. No revolutionary leader [suryong] emerged in the former Soviet Union following the end of the Stalinist era. This means that they were unable to chose a leader who deserved people's respect and support. The modern revisionists, the betrayers of socialism who took the leading positions of the party and state in the former Soviet Union following the end of the Stalinist era were all conspirators.

The modern revisionists were the betrayers of the revolution who left no stone unturned to realize their political ambitions. While Stalin was still alive, the modern revisionists claimed themselves to be the only revolutionaries loyal to the Stalinist cause, pledging allegiance to him whenever they opened their mouth. The objective they were seeking behind this was to realize their desire for seizing power in the future by raising their own popularity. In fact, no sooner had Stalin passed away than they began to remove those who were faithful to the revolution by employing all manner of machinations in order to take the leading positions of the party and state. They clung to a harm-inflicting operation aimed at squeezing out from the leading positions of the party and state the reliable revolutionaries, charging them for scheming to grab power or that they plotted against functionaries faithful to the party and Soviet Government or that they had long been hatching an antiparty and counterrevolutionary plot while maintaining secret connections with those who were involved in counterrevolutionary activities. In this way, the reliable revolutionaries who were faithful to the revolution and who had devoted themselves to serving the party and the Soviet fatherland and the people, were removed one after another.

The modern revisionists who seized power to control the party by employing such methods removed all those whom they considered to be potential political enemies and dangerous elements, while organizing support bases in the center and in localities.

Also, the modern revisionists ruthlessly cut out whomever they considered to be potentially dangerous in the future, regardless of whether they were supporters or sympathizers.

In order to realize their ambitions for power, the modern revisionists picked a fight with, smeared, and inflicted harm, on a countless number of steadfast revolutionaries who had accomplished great feats for the Soviet fatherland and for people, defiling their achievements, and, going one step farther, did not even hesitate to remove them from their ranks.

In particular, the modern revisionists, taking a sudden turnaround from the attitude they had assumed when Stalin was still alive, kicked up an anti-Stalin commotion.

Stalin, who, inheriting the Leninist cause, built the first young socialist state into the world's major power and defended the socialist fatherland from the fascist aggressors through his leadership over the armed forces and people, was the person who represented the Soviet people's aspirations and demands. The modern revisionists, however, maliciously slandered and heaped calumny on Stalin calling him a dictator, an abuser of human rights, or an incompetent militarist, while running amok to wipe out his accomplishment. In this way the modern revisionists had no scruples in committing these immoral acts that not only discarded the revolutionary sense of obligation, but also trampled underfoot fundamental human morality. In the meantime, the modern revisionists put on airs of being spokesmen for the interest of the people, announcing one empty, implausible policy after another in a bid to win the support of the people.

All they had done, however, was to foster confusion and stagnation, disorderliness, corruption, and exaggeration in the Soviet society and to have kowtowed and given in to the imperialists, as PRAVDA, the organ of the CPSU [Communist Party of the Soviet Union] Central Committee, wrote on 17 October, 1964.

The betrayers of socialism who had brought down socialism and revived capitalism in the Soviet Union are also the ones who have taken the leading positions of the party and state on the strength of the art of swimming with the current and machinations, deception, and the act of currying favor with those in the upper echelon of power. From the beginning, they were turncoats. One of the tricks that the betrayers of socialism had employed to seize the leading positions of the party and state was a disguise artifice. To cover up their true colors as the seekers of fame and social success, they paid particular attention to disguising themselves as sincere, capable, and energetic activists. Whenever they happened to be speaking with the people, they never failed to quote the Leninist theses to paint themselves as true communists, while trying to take advantage of their conversation with the people to show their knowledge. It is no accident that those leading figures in the then Central Committee of the CPSU were taken in by the crafty disguise trick employed by the betrayers of socialism and eventually helped them take the leading positions of the party and state.

In no way could the disguise artifice last long. The fact that those who held important posts in the Soviet Union later became opponents of the betrayers of socialism, switching from the enthusiastic role of executers and sympathizers of the restructuring policy, should be seen as a sign that they had recognized bit by bit the true colors of the betrayers of socialism. Also, the betrayers of socialism used to demonstrate an astonishing disposition in removing their political rivals who stood in the way of their advancement. Once they held in their possession information on their enemies' mistakes which they gathered in an undisguised method of investigation, they used them to press down on their enemies ruthlessly.

At the same time, the betrayers of socialism put particular emphasis on work with those who were capable of guaranteeing their social advancement, treating them with utmost courtesy and making considerable efforts to win the good opinion of and curry favor with them. Thanks to such enthusiasm and disposition that stood out, the betrayers of socialism were assessed by the leading figures in the party as men of great promise and young and able political activists. However, no sooner had they taken the highest positions of the party and state than they unscrupulously threw away the seniors who in the past helped them, revealing their true nature.

As soon as they held power in their hand, the betrayers of socialism, craftily giving lip service to reform or restructure, took the road of fully denying and obliterating the historic cause of socialism. Thanks to them, the leaders of the working class were insulted, the cities and streets that were named after the leaders have been changed into different names, and museums and exhibition halls that were used to educate the people on the socialist ideology have been shut down. Also, thanks to them, the governing principles that should be observed in building socialism have been thrown out one after another. Of course, all such acts have been committed in a deceptive way.

As a result, socialism in the Soviet Union, which began crumbling from within after it had been put out of its orbit by the modern revisionists, has finally been led to its own demise by the betrayers of socialism themselves. Even in the field of foreign policy, the betrayers of socialism carried out a pro-Western policy, showing that they entertained illusions about imperialism. In this area, they were a cut above the modern revisionists. Whenever they were on visits to foreign countries, they were more interested in winning the good opinion of the leaders of the Western countries and in establishing an intimate relationship with them.

Although the betrayers of socialism have made efforts to raise their own popularity and win support from the people after taking the leading positions of the party and state through a dark design, there was no way of changing their destiny.

No power or deception can win public confidence.

People of the former Soviet Union who hope for the revival of socialism are now endlessly hating the betrayers of the revolution and blame themselves for having let themselves be taken in for their artifice. Facts teach people a serious lesson that they can defend and develop socialism only if they are under a good leader.

PDRK: Glasnost, Reevaluation of Soviet History Criticized

962C0075A Pyongyang NODONG SINMUN in Korean 12 Mar 96 p6

[Article by Choe Song-kuk: "The 'Openness' and 'Soviet History Reevaluation' Racket Caused Mutations of Socialism"]

[FBIS Translated Text] The important task today in developing the socialist movement of the world's revolutionary peoples is to correctly recognize the reactionary nature of the theories held out by the betrayers of socialism, and to thoroughly oppose and reject the trends they spawned.

The great leader [yongdoja] Comrade Kim Chong-il, pointed out in his immortal classic work "To Treat Revolutionary Elders With Respect Is a Noble Moral Obligation of Revolutionaries":

"Although the betrayers of revolution, denying the revolutionary ideology of the working class, raved about 'reform' and 'restructuring' [perestroika] programs they had launched for 'democracy' and 'economic prosperity,' facts have proved beyond doubt that their 'theories' were nothing but reactionary ones designed to destroy socialism and revive capitalism."

Socialism, if in a healthy politico-ideological state, strengthens and develops; if not, it disintegrates and degenerates, and collapses inevitably in the end. This is the reason why imperialists and socialism's betrayers are intensifying their anti-socialist politico-ideological offensives. The betrayers, submitting to imperialists and changing their coat, advocated a variety of reactionary theories, driving socialism to degeneration and collapse.

In the former Soviet Union, they clamored for "openness." As a link in their "reform" and "perestroika" programs, "openness" played an important part in accelerating the former Soviet Union's politico-ideological fall and mutations—and the revival of capitalism in its wake.

It was after April 1986 that a new reactionary political term "openness" ("glasnost" in Russian) was first used by politicians in the former Soviet Union, as a theoretical, policy tool to bring socialism to its political collapse and mutations. At the time, the accident at the Chernobyl nuclear power plant in the then Ukraine Soviet Socialist Republic triggered a debate on disclosing facts of the disaster to the public. Socialism's betrayers entrenched in the former Soviet Union's leadership clique seized the opportunity to champion "glasnost." While pressing for openness as part of the anti-socialist "reform" and "perestroika" programs, they sought to politicize it. In other words, calling for "perestroika" through "glasnost" as its means, they took the path to political "openness" preaching the "inevitability" and "superiority" of this "new political creation." They convened a CPSU [Communist Party of the Soviet Union] Central Committee plenum in January 1987 to stage a push for "openness" as a political and policy goal in real earnest, opening up party and state activities to the public. It was a ruse to "denude" the party and state and open the door for reactionaries to attack the ruling party.

Every party and state obviously has its internal secrets, with no exception. It is particularly so with a working-class party engaged in revolution and construction in the midst of confrontation with imperialists. It is a basic revolutionary demand and uncompromisable principle and rule for a working-class party and state to strictly maintain party and state, and military secrets. Any lapses could create a situation in favor of imperialists' anti-socialist maneuvers and do the revolution grave harm.

But the betrayers, raving about the so-called openness, turned the party into a debate club, opening up all internal affairs of the party and soiling its authority and prestige. Thus, the CPSU's internal work and activities were thrown open to the public extensively, from the time of the 3 September, 1988, plenum of the Gorki Region party, which was televised live for the first time in the history of Soviet television. Nonparty members, particularly impure elements, found their way into the party's internal affairs one way or another, offering their impudent "opinion" and "advice," and criticizing and attacking party functionaries. At the time of the account settlement and summation for party organizations at all levels in 1988, 10-odd million nonmembers took part in party meetings making "critical comments" and presenting "recommendations." From this fact alone, one can tell how opened up the CPSU had become, and what sort of debate club it had been turned into, by then.

In the former Soviet Union, because of the "glasnost" wind, party members and nonparty members were mixed up and the party was reduced to a debate club; attacks on the party and its key members by counterrevolutionary elements became legitimate, and the leadership and political authority of the party sank rapidly. Eventually, the CPSU, once proud of its history of almost a century, ended its existence.

Riding on the "glasnost" wave they stirred up, socialism's betrayers launched antiparty, antisocialist propaganda in a big way. They insisted that media should be the "standard bearer of glasnost." Their aim essentially was to create legitimacy for the impure forces' antisocialist propaganda, denigrate the CPSU and Soviet state ideologies and defame socialist government, and to harm, attack, and oust progressive figures covertly. With revolutionary turncoats and bourgeois reversionists pulling the wire and manipulating them from behind, a number of media including OGONEK, MOSCOW NEWS, and DATA AND FACTS carried and circulated antisocialist, anti-Soviet materials widely and unhesitatingly, positively backing and protecting counterrevolutionary forces. It was in fact "propaganda terror" slandering and insulting the CPSU and socialist system, covertly harming and framing communists as "criminals" and putting them in "the dock." Consequently, while the socialist forces winced, reactionary forces such as political schemers and plotters gained power, taking leading positions in politics.

"Glasnost" was, in a nutshell, a bourgeois reversionist doctrine designed to disintegrate politico-ideological socialism and create a social climate justifying reactionaries' maneuvering and their seizure of power as legitimate. It was by no means an accident that a broadcast in a certain country charged that "glasnost has opened the way for revival of all the foes of socialism and their anti-Leninist ideas. In fact, all propaganda machinery of the 'perestroika team' are preoccupied with bourgeois and revisionist ideas."

Another means the betrayers of socialism relied on in engineering the collapse of socialism was the "review of Soviet history" racket.

Based on their antihistory standpoint, and their bourgeois values and bourgeois way of thinking, they staged the farce of denying the 70-odd-year history of the Soviet Union and calling for its full "reevaluation," for the purpose of reviving capitalism. They denigrated socialism as a "wrong ideology." They "reevaluated" the socialist October Revolution as a "black coup d'etat and the socialist era as an "era of darkness," defiling Lenin as a "power usurper," and Stalin as a "dictator" and "tyrant."

It is a publicly recognized historical fact that socialism is science and truth, and that the socialist October Revolution was a cause of justice that created the first and most progressive socialist state in the history of mankind. Lenin and Stalin were celebrated great men; they made great contributions to developments of history as representatives of the aspirations and demands of the oppressed working masses of their times.

History cannot be denied; truth cannot be distorted.

Nevertheless, socialism's betrayers, advocating the "reevaluation of Soviet history," distorted and reevaluated negatively the socialist revolution and the history of socialism, defaming working-class leaders and revolutionary elders. At the same time, they staged the farce of "rehabilitating" counterrevolutionary elements who had been put to revolutionary punishments and giving them positive prominence. At the 19th CPSU all-union conference of representatives in 1988, they openly called for "fair rehabilitation" of persons who had been executed for antisocialist, counterrevolutionary acts.

In February 1988, the betrayers legally restored rights for 20 counterrevolutionaries who were found to be turncoats of the revolution by the Soviet Supreme Court and convicted in the third "purge trial" in 1938. Since then, they have "rehabilitated" many counterrevolutionary criminals.

Meanwhile, they "reevaluated positively" a large number of reactionary literary works and publications such as novels and films that had been banned for political and ideological reasons, lifting the ban and facilitating their disseminations. Thus, they opened the door to the infiltrations of bourgeois ideologies and cultures, accelerating the spread of reactionary ideological, mental, and political trends in the society, and the conversion of the society to capitalism.

Led by such reactionary theories and policies as "glasnost" and "reevaluation of Soviet history," the Soviet Union after all dashed head-on aboard the "express train" named the Collapse of Socialism—on the track named Revival of Capitalism. In the end, it brought its 70-odd-year history of socialism to a close, ending its existence as a superpower.

For the people of the former Soviet Union, it certainly wrings their hearts that they lost their socialism for which they had shed so much blood and made so many sacrifices, and which they had gained only after arduous, prolonged struggles. Therefore, the peoples of those countries where capitalism was revived have launched a vigorous movement to rebuild socialism, thoroughly seeing through the betrayers' maneuvers.

The betrayers of socialism will be brought to stern judgement by history when the time comes.

DPRK: Paper Dedicates Article on Kim Chong-il's Work

SK1507041496 Pyongyang KCNA in English 0342 GMT 15 Jul 96

[FBIS Transcribed Text] Pyongyang, July 15 (KCNA) — NODONG SINMUN on Sunday dedicated an article to the tenth anniversary of the publication of the great leader Comrade Kim Chong-il's famous work "On

Some Problems of Education in the Chuche Idea" (July 15, 1986).

The paper quoted Comrade Kim Chong-il as saying:

"The chuche idea is the party's unshakable ideology that guides our revolution to victory. Only when we adhere to the chuche idea can we accomplish our party's revolutionary cause of realizing independence for the masses."

The author of the article said:

Comrade Kim Chong-il in the work explained the greatness of the chuche idea in a profound way. He said the chuche idea is a complete revolutionary ideology in that it considers the fundamental aim of the revolution to be the advocation and realization of independence, which is the life and soul of a man as a social being, and asserts that the revolution should be pursued through to the end until independence is fully realized.

It is said in the work that the chuche idea is a fully scientific revolutionary doctrine for man's emancipation because it is based on the philosophical outlook on the world that is centred on man.

Based on the philosophical principle which clarifies the position and role of man in the world, the chuche idea not only provides a correct outlook and viewpoint on nature, society and man, but also demonstrates a perfect revolutionary theory, strategy and tactics, and leadership theory and methods, according to the work.

The work also says the driving force of the revolution means the integrated whole of the leader, the party and the masses and that only by uniting around the leader into one organization with a single ideology under the guidance of the party and the leader can the masses become an independent driving force of the revolution.

It gives clear answers to matters of principle in bringing the advantages of the socialist system into full play through the strict application of the socialist rural theses and the Taean Work System and steadfast adherence to the party's line of building an independent national economy.

The article describes the work as a monumental and important work in that it further developed the chuche idea as required by the times and the revolution, eloquently proved the greatness of this idea and explained the theoretical and practical questions in intensifying education in this idea.

DPRK: Diplomatic Corps, Military Attaches Corps Visit Mansu Hill

SK0807103396 Pyongyang KCNA in English 0419 GMT 8 Jul 96

[FBIS Transcribed Text] Pyongyang, July 8 (KCNA) — The diplomatic corps and the military attaches corps in Pyongyang visited the great leader President Kim Il-song's statue on Mansu Hill here on July 7 on the occasion of his second death anniversary.

The guests laid floral baskets and made bows in humble reverence for President Kim Il-song, who devoted his all to the cause of world peace and independence and the development of friendly relations among the nations.

DPRK: Yasir 'Arafat Sends Floral Basket to Kim Il-song Statue

SK0807103496 Pyongyang KCNA in English 0420 GMT 8 Jul 96

[FBIS Transcribed Text] Pyongyang, July 8 (KCNA) — A floral basket from Yasir 'Arafat, president of Palestine, was laid before the great leader President Kim Il-song's statue on Mansu Hill in Pyongyang, on his second death anniversary.

The floral basket was laid by the Palestinian ambassador to Korea, Shaher Muhammad, on July 7.

Written on the ribbon of the floral basket were letters reading "His Excellency Kim Il-song, the great leader, is immortal."

DPRK Citizens, Foreigners Lay Flowers at Kim Il-song Statue

SK0807111296 Pyongyang KCNA in English 0432 GMT 8 Jul 96

[FBIS Transcribed Text] Pyongyang, July 8 (KCNA) — Korean working people, servicemen, students and school children, overseas Koreans and foreigners visited the great leader President Kim Il- song's statue on Mansu Hill on Sunday [7 July] to lay floral baskets, bouquets and flowers and pay homage to him on his second anniversary.

A floral basket from the great leader Comrade Kim Chong-il was placed in front of the statue.

Floral baskets were laid in the name of party and government bodies, administrative and economic organs, public organisations, national institutions, commissions and ministries of the Administration Council, units of the Korean People's Army and the Korean people's security forces, public security organs, institutions of science, education, culture and art, public health and the press, industrial establishments, farms, etc.

Those from overseas Koreans and foreigners were also laid.

The masses renewed their commitment to hold the red flag of revolution high and exalt their country and motherland under the leadership of Comrade Kim Chong-il, true to the earnest requests of the president.

DPRK: SKNDF Committee Places Flowers at Kim Il-song Statue

SK0807111496 Pyongyang KCNA in English 0835 GMT 8 Jul 96

[FBIS Transcribed Text] Pyongyang, July 8 (KCNA) — A floral basket was laid before the statue of the great leader President Kim Il-song on Mansu Hill on Sunday [7 July] in the name of the Central Committee of the National Democratic Front of South Korea (NDFSK) [SKNDF] a day before the second anniversary of his death.

Authorized by the NDFSK Central Committee, chief Yi Chong-sang and members of the Pyongyang mission of the NDFSK placed the floral basket before the statue.

Seen in the ribbon of the floral basket were letters "The great leader Comrade Kim Il-song will be immortal. Central Committee of NDFSK".

Yi Chong-sang said the floral basket reflected feelings of the South Korean people who had struggled for national reunification, ardently yearning after and deeply venerating President Kim Il-song, the sun of all the people, and hoping for his immortality.

That day, the members of the Pyongyang mission visited the Revolutionary Martyrs' Cemetery on Mt. Taesong and laid a floral basket before the bust of Comrade Kim Chong-suk, an indomitable communist revolutionary fighter, before paying a silent tribute to her.

DPRK: Foreign Party Leaders Send Baskets to Kim Il-song Statue

SK0807112896 Pyongyang KCNA in English 0838 GMT 8 Jul 96

[FBIS Transcribed Text] Pyongyang, July 8 (KCNA) — Floral baskets sent by foreign political party leaders were laid before the statue of the great leader President Kim Il-song on Mansu Hill on July 6 and 7 to commemorate the second anniversary of his death.

The floral baskets were sent by leader Montri Pongpanich and deputy leader Boonpun Kaevatana of the Social Action Party of Thailand, General Secretary Yusuf Wali of the Egyptian National Democratic Party, General Secretary Huudu Yahaya of the National Democratic Congress of Ghana, General Secretary Yacob Zayadine of the C.C. [Central Committee], the Jordanian Communist Party and Chairman Oleg Shenin of the Council of the Union of Communist Parties-the Communist Party of the Soviet Union.

Meanwhile, a floral basket sent by the International Liaison Committee for Reunification and Peace in Korea was laid before the statue on Sunday [7 July].

Written in the ribbons of the floral baskets were letters "In memory of the great leader Comrade Kim Il-song" and "The great leader Comrade Kim Il-song is immortal."

DPRK: Sihanouk Sends Bouquets to Embassies on Death Anniversary

SK0907054796 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 8 Jul 96

[FBIS Translated Text] On the occasion of the second anniversary of the death of the great leader [widaehan suryong] Comrade Kim Il-song, Cambodian King His Majesty Norodom Sihanouk sent floral baskets to the DPRK Embassies in Cambodia and the PRC on 7 July.

Princess (Norodom Bophaberri), adviser to the Cambodian Government, and (Congsam Ori), vice prime minister in charge of the Royal Palace, visited the embassies with floral baskets from King Norodom Sihanouk.

Princess (Norodom Bophaberri) said that she brought the floral basket upon special instructions from his majesty the king and said as follows: His majesty the king still misses his excellency Generalissimo Kim Il-song who is his elder brother. The death of his excellency generalissimo is a great loss and heartbreaking incident not only to the Korean people, but also to our Cambodian people. On the occasion of this heartbreaking day, I would like to send greetings of long life to Marshal Kim Chong-il, the great leader [widaehan yongdoja] of the Korean people, from his majesty the king, her majesty the empress, and myself. His excellency Generalissimo Kim Il-song, who is the greatest leader [kajang widaehan suryong] of the Korean people, will always be in the hearts of our Cambodian people.

In addition, the general secretary of the Cambodian Royal Palace visited the DPRK Embassy in the PRC on 8 July and presented a floral basket in the name of King Norodom Sihanouk, and paid his respects before the portrait of the respected and beloved leader [kyongaehanun suryong] Comrade Kim Il-song. Written on the ribbon of the floral basket were letters reading: We express the most humble reverence to his excellency generalissimo DPRK President Kim Il-song. Cambodian King Norodom Sihanouk.

DPRK: People, Soldiers Pay Homage to Kim Il-song at Kumsusan

SK0907105796 Pyongyang KCNA in English 0645 GMT 9 Jul 96

[FBIS Transcribed Text] Pyongyang, July 9 (KCNA) — People from all walks [passage indistinct] servicemen of the Korean People's Army [KPA] visited the Kumsusan Memorial Palace, the supreme temple of chuche, and paid homage to the great leader President Kim Il-song on July 8 on the occasion of the second anniversary of his death.

Among them were anti-Japanese revolutionary fighters, those who made distinguished services in the anti-Japanese revolutionary struggle, officials of party and power bodies, administrative and economic organs, public organizations and national institutions, labor innovators of factories, enterprises and co-op farms, soldiers of the KPA and Public Security Officers.

Participants expressed deep reverence, looking up to the statue of President Kim Il-song against the lighting of red glow and blue sky.

And they made bows in humble reverence to President Kim Il-song, who is preserved in state.

The participants looked round the train the president used on his on-the-spot guidance and foreign trip and the car he used in the last period of his life.

DPRK: Book on 'Natural Phenomena' of Grief at Kim Il-song's Death

SK0807112796 Pyongyang KCNA in English 0842 GMT 8 Jul 96

[FBIS Transcribed Text] Pyongyang, July 8 (KCNA) — The Literature and Art Press Group has published the book "Natural Wonders" to commemorate the second anniversary of the death of the great leader President Kim Il-song.

The book, based on tales about natural phenomena which were seen in Korea when it was overwhelmed with deep grief over the death of President Kim Il-song, consists of four chapters including "Great Star Falls", "Sun Is Everlasting" and "Scientists Say:" and eleven articles.

It contains some 350 tales reflecting the deep sorrow of the Korean people over the sudden death of President Kim Il-song and proving that he was the greatest man produced by heaven. They also show that he, who has enjoyed deep respect from the world revolutionary people, would remain alive in the hearts of the people with centuries to come.

DPRK: Documentaries Released on Mangyongdae, Changsong Mountain

SK0807111196 Pyongyang KCNA in English 0845 GMT 8 Jul 96

[FBIS Transcribed Text] Pyongyang, July 8 (KCNA) — The Korean documentary film studio has produced films "Hearts Running Toward Mangyongdae" and "Changsong Known as Land of Glory" on the second anniversary of the great leader President Kim Il-song.

The film "Hearts Running Toward Mangyongdae" shows a ceaseless stream of working people and servicemen of Korea, who visit Mangyongdae, a sacred place of the revolution, and devote their sincerity to it with reverence and yearning for President Kim Il-song.

It deals with the old home in Mangyongdae where the president was born and fostered his high ambition of revolution.

It also shows Korean working people, servicemen and youth and children, and foreigners who guard Mangyongdae all night and pray for the immortality of the president.

Those scenes tell that the president is immortal as the sun of chuche in the hearts of the Korean people and the world's progressives and a stream of loyal and filial subjects flowing toward Mangyongdae will be ceaseless forever.

The film "Changsong Known as Land of Glory" shows that under the wise leadership of the fatherly leader President Kim Il-song and the respected General Kim Chong-il, who opened up a new history of "golden mountain", Changsong, once a poor mountainous area, has been turned into a people's paradise.

DPRK: VNS: South Koreans Observe Kim Il-song Death Anniversary

SK0807104096 Pyongyang KCNA in English 0423 GMT 8 Jul 96

[FBIS Transcribed Text] Pyongyang, July 8 (KCNA) — The members of the April 15 Fellowship Society based in Pusan, South Korea, met on June 19 to adopt an action program to commemorate the second anniversary of the death of the great leader President Kim Il-song, Seoul-based radio Voice of National Salvation [VNS] quoted the Pusan City Committee of the National Democratic Front of South Korea as saying in its information.

According to the program, the days from June 20 to July 20 was set as a month of cherishing the memory of President Kim Il-song and a memorial service will take place at 9 A.M. July 8.

During the month a lecture meeting, a seminar and other activities for recollecting his life and exploits will be organized, 1,000 copies of his reminiscences "With the Century" printed and disseminated among people of various social strata, different kinds of literature hoping for his immortality scattered or distributed to people by mail and video tape of the North's documentary film "The Great Leader Comrade Kim Il-song Is Immortal" watched again, according to it.

DPRK: Events Commemorating Death of Kim Il-song Reviewed

SK1007083896 Pyongyang KCNA in English 0817 GMT 10 Jul 96

[FBIS Transcribed Text] Pyongyang, July 10 (KCNA) — Various events took place in Korea to mark the second anniversary of the great leader President Kim Il-song as the supreme memorial day of the nation.

The great leader Comrade Kim Chong-il, accompanied by senior party and state officials, visited the Kumsusan Memorial Palace on Monday [8 July] morning to pay respects to the president, who lies in state.

A national memorial service was held in the presence of Comrade Kim Chong-il at the plaza of the palace, the supreme temple of chuche, on Monday.

It was attended by tens of thousands of Pyongyangites, servicemen and overseas Koreans.

Meanwhile, memorial services and meetings were held in all provinces, cities and counties and at industrial complexes.

Youth and children in the city and working people's organisations separately held "memorial evenings" in Pyongyang.

All the participants renewed their faith and commitment to venerate President Kim Il-song, the founder of socialist Korea, as the sun of chuche for all ages and remain loyal to Comrade Kim Chong-il's leadership.

Working people, servicemen, youth and children and foreigners visited the Kumsusan Memorial Palace to pay homage to the president and laid floral baskets and made respects before his statues on Mansu Hill in the capital city and in all other parts of the country.

Floral baskets from the Palestinian president, party leaders in Thailand, Egypt and other countries and international organisations were laid before his statue on Mansu Hill on July 6 and 7.

These events followed a national symposium, a national photo exhibition, a national art show, a ten-day film show and the publication of postage stamps.

The Workers' Party of Korea Publishing House brought out "Kim Il-song's Works" Vol. 44, the seventh volume (continuation) of Part 1 the anti-Japanese revolution of the president's reminiscences "With the Century" and "Among the People" Vol. 54.

NODONG SINMUN, the newspaper of the Workers' Party of Korea Central Committee, and other mass media edited special write-ups under "The Great Leader Comrade Kim Il-song Will Always Be With Us" and other headlines.

DPRK: Paper on Kim Il-song's 'Great Exploits' for People

SK1107043796 Pyongyang KCNA in English 0414 GMT 11 Jul 96

[FBIS Transcribed Text] Pyongyang, July 11 (KCNA) — One of the great leader Comrade Kim Il-song's immortal feats for the times and revolution, the country and people is that he made the Korean nation a revolutionary people with a strong spirit of independence.

NODONG SINMUN stressed this in a signed article Wednesday.

It quoted the great leader Comrade Kim Chong-il as saying:

"The respected leader Comrade Kim Il-song's great exploit for the people is that he made them a revolutionary people with a strong spirit of independence."

What is important in the feats of Comrade Kim Il-song is that he made ours an independent and proud people who carry on the revolution and construction their own way without any vacillation no matter which way the wind may blow and by themselves with the spirit of self-reliance and strenuous efforts, the author of the article noted, and went on:

Under his wise leadership the Korean people have accelerated the revolution and construction only in the Korean way with a high independent spirit, regardless of what others do or say.

It was their own way that they did the democratic revolution, the socialist transformation of relationship in production and the building of party and government, revolutionary armed forces, the economy and culture.

They are now firmly defending the people-centred socialism, which they built at their own will under the difficult conditions of history, and solving all problems arising in the socialist construction their own way in keeping with the realities of their country and interests of the Korean revolution.

As they built a powerful socialist independent economy and self- reliant defence capabilities in the revolutionary spirit of self- reliance and hard work under the wise leadership of Comrade Kim Il- song, the Korean people could reliably defend the national sovereignty and the gains of the revolution and scathingly repulse the aggression and intervention by the imperialists.

Today they are bringing about a revolutionary upswing in all sectors of socialist construction under the revolutionary banner of self-reliance even in the difficult and complex situation in which the imperialists concentrate anti-socialist offensive on them.

Another important thing in the exploits of Comrade Kim Il-song is that he made ours an invincible revolutionary people who are closely united in one mind around their leader and their party.

The Korean people have rallied themselves closely around their leader and party and made strenuous efforts. So they could advance the Korean revolution, which is unprecedentedly arduous and complex, to victory and demonstrate themselves as a revolutionary people with a strong spirit of independence.

Those revolutionary exploits of Comrade Kim Il-song are creditably being honored and he is immortal as a great teacher of the Korean people as the respected General Kim Chong-il stands in the van of the Workers' Party of Korea and the revolution, the article said.

DPRK Editorial Stresses Intensifying Study of Chuche Ideology

962C0076A Pyongyang NODONG SINMUN in Korean 25 Mar 96 p 1

[Editorial: "Let Us Intensify the Study of the Chuche Ideology"]

[FBIS Translated Text] Currently, our people are brilliantly implementing the chuche revolutionary cause by upholding the leadership of the party.

In order for all party members and workers to hold fast to our way of socialism and accelerate the revolution and construction all the more vigorously, brimming with confidence and optimism, they need to intensify the study of the chuche ideology.

The great leader [yongdoja] Comrade Kim Chong-il pointed out as follows: "We have to intensify the study of the chuche ideology among our cadres and party members."

The chuche ideology is our very life. The fate and future of our country and people and of our revolution and our way of socialism depend on how resolutely we defend and hold fast to the chuche ideology.

The chuche ideology has become the only leading ideology of our time, the age of self-reliance, with voices supporting the chuche ideology becoming ever louder throughout the world. Our people, by virtue of being the denizens of the fatherland of the chuche ideology, ought to step up the study of the chuche ideology in order to learn by experience its validity and invincibility in depth.

Intensifying the study of the chuche ideology is an important requirement in fulfilling our duty as the warriors and disciples of the great leader Comrade Kim Il-song.

The chuche ideology is an immortal revolutionary ideology founded by the great leader Comrade Kim Il-song; and every one of our people enjoyed happiness while growing up in his bosom as revolutionaries. We must remain for ever faithful to our moral duty to the great leader who raised us and lifted us in stature. To do so, we must be faithful to his revolutionary thought, the chuche ideology. Apart from arming themselves in an airtight manner with the chuche ideology and fighting by giving their all for the victory of the chuche ideology, the struggles and lives of our people determined to hold the great leader in high esteem for all ages to come are unthinkable. Only the ones who step up the study of the chuche ideology and fight by upholding the chuche ideology as their unshakable faith can be the great leader's warriors and disciples and actively contribute to glorifying his immortal achievements and the resplendent history of his revolutionary activities.

Intensifying the study of the chuche ideology is a worthy task in bringing about a new upswing in the revolution and construction by upholding the leadership of the respectful and beloved Commander Kim Chong-il.

It is an unshakable determination of the respected and beloved Comrade Kim Chong-il to complete the chuche revolutionary cause pioneered by the great leader Comrade Kim Il-song, by constantly holding high the banner of the chuche ideology. Each plan or project conceived and designed by the respected and beloved commander has its source in the chuche ideology.

The struggle to uphold the leadership of the great Comrade Kim Chong-il is one to implement the chuche ideology at the same time. It then follows that we must give the first priority to the study of the chuche ideology. Unless we study the chuche ideology in depth, it is impossible to correctly comprehend party policies and intentions. When we intend to strengthen the wholehearted unity of our revolutionary rank and file in every possible way, we must arm ourselves securely with the chuche ideology; likewise when we intend to win a great victory in socialist construction by breaking through all barriers and obstacles head-on, with the spirit of "the arduous march" and the revolutionary spirit of self-reliance and fortitude, we must live and struggle as demanded by the chuche ideology.

Every one of us is a revolutionary who pledged before the red flag to carry the revolution through to the end under the banner of the chuche ideology. As shown by revolutionary practice, one who studies the chuche ideology well and struggles by holding the chuche ideology as one's firm faith never hesitates or wavers before an obstacle but gives play to the spirit of sacrifice under any circumstance, for the sake of the future of the fatherland and the happiness of posterity for all ages to come, without caring for one's own comfort. Inexhaustible is the strength of a people armed in an airtight manner with the chuche ideology.

In the past period we continually intensified the study of the chuche ideology by grasping it as the first step in ideological self-cultivation. Everyone has gained confidence and courage from the greatness and invincible vitality of the chuche ideology, and has been giving full play to the "Korean nation first" spirit in the revolutionary struggle and construction projects—this is one of the salient features of our people. We must constantly intensify the study of the chuche ideology in order to continually arm ourselves with the chuche ideology evermore securely. Upholding the party slogan "Let us arm ourselves all the more thoroughly with the revolutionary thought of the great leader Comrade Kim Il-song!" we must continue to step up the study of the chuche ideology—herein lies the way for fulfilling our duty forever as the warriors and disciples of the party and the leader.

The most important thing in intensifying the study of the chuche ideology is to comprehend the greatness of the chuche ideology in depth.

The chuche ideology is the most perfect revolutionary doctrine which enables people to become the complete masters of the world and their own destiny by thoroughly remaking nature, society, and man in a manner suitable to the inherent social nature of human beings, and which illuminates the road to the eternal happiness and prosperity of mankind. If we go forward taking a firm grip of the chuche ideology, we will be able to solve all problems encountered in the revolutionary practice of our time, now matter how difficult they may be.

All party members and workers must step up the study of the chuche ideology so that they may understand in depth that the chuche ideology is the only leading ideology representing our time and the time to come forever as it does today and did in the past. We must study the chuche ideology in depth until we completely comprehend the substance and essence of the profound thought and theory elucidated by the chuche ideology and assimilate them in our flesh and bones. We must master, in theory and practice, the truth that the chuche ideology is what is most vital to our fatherland and people and to our revolution and our way of socialism.

The most excellent study material in intensifying the study of the chuche ideology is the immortal works of the great leader Comrade Kim Il-song and the respected and beloved Comrade Kim Chong-il.

These immortal works are a veritable library of the chuche ideology and an encyclopaedia of revolution and construction. In them the thought, theory, and methodology of the chuche ideology are comprehensively elucidated, and all theoretical and practical problems arising in the struggle for its implementation are clarified in concrete terms.

We must study systematically and comprehensively the immortal works published by the great leader and the respected and beloved Comrade Kim Chong-il, and exert earnest efforts to master in depth the profound principles and ideas contained in them. We must make a study of these immortal works in a effective manner by using various forms and methods, such as dissuasion, debate, and question-and-answer sessions, and begin by studying particularly those immortal works which relate to the tasks in our respective fields. Functionaries, party members, and workers must draw up correct study plans and make the study in a consistent and planned manner, and prepare themselves all the more solidly as chuche-oriented true revolutionaries in this process.

In particular, we must study the golden sayings of the great Comrade Kim Chong-il.

"Do not live today for today but for tomorrow," "Loyalty and fidelity form the highest character of the revolutionary," and numerous other golden sayings of the great Comrade Kim Chong-il provide valuable guiding principles for the revolutionaries to uphold as mottos of struggle and life; and we find in them a concentration of many profound principles of the chuche ideology. We must study the golden sayings of the great Comrade Kim Chong-il so well that we may master their profound thoughts, substance, and demands and turn them into an article of faith.

Our purpose in studying the chuche ideology is to prepare ourselves securely as chuche-oriented revolutionaries and vigorously accelerate socialist construction. That is why we must study the chuche ideology in close conjunction with our practical struggles.

All functionaries, party members and workers must wage an active practical struggle to implement the chuche ideology so that they may give full play to the greatness, validity, and invincibility of the chuche ideology and have the results of the study manifested in the implementation of revolutionary tasks. As demanded by the chuche ideology, we must give full play to the work ethos worthy of the masters that we are in the struggle to implement party policies and carry out every assignment by our own efforts. In so doing, every one of our people must become a staunch defender and thorough executor of the chuche ideology and push forward the revolution and construction thoroughly in our own way.

As demanded by the chuche ideology, functionaries must make it their way of life and habit to mingle with the masses and keep in touch with reality and inspire them to the implementation of revolutionary tasks; and workers for their part must carry out their party-assigned revolutionary tasks unconditionally and thoroughly, with self-awareness as being the masters and with a keen sense of responsibility.

It is imperative to enhance the role of party organizations in order to step up the study of the chuche ideology.

Party organizations at all levels must continually accelerate tasks to intensify the study of the chuche ideology among functionaries, party members, and workers in a manner suitable to developing realities so that they may learn by experience the greatness of our party and hold it as their faith. Party organizations must establish a thoroughgoing study discipline, make it a rule for everyone to study regularly, and particularly see to it that functionaries become a model in the study of the chuche ideology.

Always bearing in mind the great leader's teaching that study is the number one duty of people making revolution, all of us will constantly intensify the study of the chuche ideology and thereby prepare ourselves solidly as chuche-oriented communist revolutionaries and effect a new upswing in the revolution and construction.

DPRK: Article Highlights Chuche 'Bloodline'

962C0078A Pyongyang NODONG SINMUN in Korean 11 Apr 96—p2

[Article by Sung Chong-pyo: "The Chuche Bloodline Is the Lifeline of the Korean Revolution Forever"]

[FBIS Translated Text] A great revolution has its great bloodline.

The Korean revolution is a sacred revolution carried on and attained brilliantly by the great chuche bloodline.

The chuche bloodline is the most valuable asset attesting to the life of the great leader Comrade Kim Il-song. It is the permanent cornerstone of our revolution in which the immortal accomplishments of the respected and beloved Comrade Kim Chong-il are fully synthesized.

It is a great glory and pride for our people that they have the great chuche bloodline and are carrying forward the chuche cause as it was brilliantly charted toward its attainment in the jungle of Mt. Paektu.

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The chuche bloodline is a boundlessly precious asset of our revolution for which the great leader Comrade Kim Il-song devoted his whole life, and which is being carried forward brilliantly to its attainment by the respected and beloved Comrade Kim Chong-il.

For the working class in the struggle to advance the revolutionary cause, the bloodline means the lifeline that keeps the revolution going, and a treasure forever. To move forward toward its completion based on the bloodline built by the leader [suryong]—that is what a revolution is all about.

A revolution with a great bloodline advances victoriously against any trials and tribulations. One without is bound to fail and collapse.

The Korean revolution is advancing victoriously thanks to the chuche bloodline, the greatest bloodline with no parallel in the history of the working class revolutionary struggle.

The chuche bloodline, in short, means the revolutionary ideology of the respected and beloved Comrade Kim Il-song, the precious achievements and experiences of the leader in his long revolutionary life, and his work method.

The great leader [yongdoja] Comrade Kim Chong-il pointed out:

"The chuche bloodline of our party represents the ideology and theory of the great Comrade Kim

Il-song, his revolutionary achievements and struggle experiences, and his work method. It was built through a prolonged struggle that was unprecedentedly intense and many sided. It is therefore boundlessly rich and precious and has an eternal vitality for the strengthening and development of our party, and for the victory of our revolution."

The chuche bloodline is a boundlessly precious bloodline built by the great leader Comrade Kim Il-song in person, who devoted his whole life to its creation.

The great leader—who, from an early age, embarked on his revolutionary career with the great aspirations to realize the self-reliance of the masses of people—sagaciously led the chuche cause along the one road of victory against all kinds of hardships and privations. In the process, the respected and beloved leader founded the chuche ideology, the great guiding ideology of our times, making precious achievements and gaining valuable experiences in the struggle for its implementation. One cannot talk about the charting of the chuche cause or its triumphant advances apart from the leader; likewise, apart from the leadership of the leader, it is simply unthinkable that our party and people could have had the chuche bloodline.

The chuche bloodline is our revolution's eternal lifeline which the respected and beloved Comrade Kim Chong-il has brilliantly succeeded to and is developing and enriching boundlessly.

Indelibly written in the history of the glorious Korean revolution are the brilliant annals of the great leader and the respected and beloved Comrade Kim Chong-il having led the chuche cause to victories together. In those historic days, the chuche bloodline was carried forward brilliantly, with every asset making up its content developing further and growing richer.

The chuche ideology, the guiding ideology of our revolution, was founded by the great leader. And it has been developed and enriched boundlessly into the guiding ideology of the times by the respected and beloved Comrade Kim Chong-il. It is a precious ideological and mental asset. All the other assets—including achievements and experiences in the building of the chuche-type party, government, and revolutionary armed forces—were also achieved by the two leaders [tubun ui suryong] together. Indeed, each and every precious asset making up the chuche bloodline carries the marks of the thoughts and inquiries shared together, and of the brilliant leadership exercised together, by the great leader and the respected and beloved Comrade Kim Chong-il.

Precisely for this fact, the chuche bloodline is shining forever as the revolution's permanent asset embodying the immortal revolutionary histories and achievements of the great suryong and the great yongdoja together, and as the most precious national treasure permeated with the great history of charting, advancing, and succession.

The chuche bloodline, founded by the great leader Comrade Kim Il-song and succeeded to and being developed by the respected and beloved Comrade Kim Chong-il, is the greatest treasure firmly guaranteeing victory for the chuche cause.

The greatness of the chuche bloodline lies, first of all, in that it shines with self-reliance and creation.

Revolution is a struggle of the masses to throw out everything that is obsolete and reactionary and realize self-reliance. The only thing revolutionaries and people can rely on in this struggle is their own strength. The basic key to victory is to resolve all problems arising in the revolutionary struggle and construction on their own, based on their own faith and judgement.

The chuche bloodline is thoroughly run through with self-reliance and creation. It is a powerful weapon making it possible for the masses to do the revolution and construction in a self-reliant and creative manner. The chuche ideology—the revolutionary ideology of the respected and beloved Comrade Kim Il-song that makes up the chuche bloodline—also is an ideology of self-reliance through and through leading the masses to work out their destiny on their own in a self-reliant, creative manner; the precious revolutionary achievements, experiences, and work method making up the chuche bloodline also are assets that vigorously accelerate the revolution and construction by bringing the self-reliance and initiative of the masses into full play.

People who move forward holding fast to the chuche bloodline can brilliantly work out their destiny on their own, whatever the adversity. For them, there can be absolutely no such things as looking up to others for something or falling into pessimism or defeatism whenever confronted with difficulties.

What moves or changes the world is neither money nor nuclear weapons but the masses of people armed with the spirit of self-reliance. The chuche bloodline bestows on the masses the great ideological and mental weapon with which to grasp their destiny tightly in their hands and work it out on their own brilliantly. It therefore serves as an invincible weapon itself for the people to hold to in the revolution.

The greatness of the chuche bloodline also lies in that it was formed in the process of the leader, the party, and the masses pressing on the revolution and construction with the might of wholehearted unity.

Revolution begins with unity, and it is won by the might of unity. Unity is the foundation of revolution. For people making revolution, there are no weapons mightier than their unity.

The chuche bloodline is a powerful weapon that brings revolutionaries and people to unite closely around the leader as one to accelerate the revolution and construction vigorously. It is because the chuche bloodline itself is an asset created by the leader, the party, and the masses in the process of their forming and strengthening wholehearted unity, and because as such it contains all that is needed for unity and solidarity, including the precious ideology, achievements, and method.

Recorded in the history of our revolution are many exciting facts of the wholehearted unity of the leader [yongdoja] and warriors. The leader absolutely trusts and loves the revolutionary comrades and people while the revolutionary warriors maintain infinite faithfulness fully entrusting their destiny to the leader, sharing the leader's ideology, intent, and feelings, and upholding the leader with loyalty. Herein lie the basic characteristics of the Korean revolution and the secret of its invincibility. The chuche bloodline was formed precisely in the midst of this struggle of our revolution. When the leader and the masses fight on side by side in wholehearted unity, with the former absolutely trusting the people and the latter fully entrusting their destiny to the leader, they can lead the revolution to victory, whatever the adversity. This is the precious truth inherent in the chuche bloodline.

The greatness and invincibility of the chuche bloodline also lies in that it was created in the Korean revolution, the most arduous and complicated revolution that had to fight its way through an untrodden path as the first in our times, and that it therefore constitutes an encyclopedic asset with extraordinarily rich and deep content in it.

The greatness of the bloodline lies in the diversity and profoundness of its content. Only a bloodline containing achievements and experiences of all areas comprehensively, not of just limited specific areas and stages of the revolution and construction, and holding all assets that can serve as valuable capital not only today but in the remote future of the revolution as well, can have an eternal life.

The great chuche bloodline was created in the midst of the unprecedentedly intense and arduous Korean revolution. It covers all theoretical and practical questions concerning the national, class, and human liberation, including precious achievements and experiences showing the way to their solutions.

The ideological and theoretical assets contained in the chuche bloodline are boundlessly rich. Included are not only those for the phase of struggle to take power but for the phases of consolidating, developing, and perfecting of the established socialist system. Nothing is left out.

Especially, the chuche bloodline clearly shows not only the most correct strategies and tactics for our revolution but those to defend, maintain, and advance the socialist cause internationally, and to realize self-reliance globally as well. Therefore, as a common treasure of the progressive humanity with universal significance in the fulfillment of the chuche cause in our times, the chuche bloodline has proved to be a powerful weapon inspiring and fueling the popular struggle to rebuild socialism and realize self-reliance globally.

Herein lies the reason why the peoples fighting for self-reliance today turn to the chuche bloodline whenever they are confronted with difficult and complicated problems, looking for a key to their solutions, and go on fighting based on it.

The greatness and invincible vitality of the chuche bloodline has been fully demonstrated in the practice of our revolution.

Thanks indeed to the chuche bloodline created by the great leader and the respected and beloved commander in chief [changgun-nim], our people could advance vigorously—even in those difficult situations where they had to overcome barriers and ordeals at every step to make headway—along the correct path toward the realization of self-reliance for the masses, holding aloft the banner of chuche. At the same time, they could perform the miracles and feats of the century in the process of advancing the cause of our way of socialism.

The great chuche bloodline is the most precious revolutionary asset, with no parallel either in the truthfulness and validity of the revolutionary ideology it is run through with, or in the richness of achievements and experiences contained in it, or in its vitality.

II.

It is the lofty mission and basic responsibility of our party and people on behalf of the times and the revolution that they adhere to and carry forward the great chuche bloodline brilliantly generation after generation.

The great leader Comrade Kim Chong-il pointed out:

"We must adhere to the chuche bloodline and carry it forward resolutely."

To adhere to the bloodline created by the leader and carry it forward resolutely generation after generation, with its purity intact, is both the demand of the revolution and the inevitable path of the revolutionary cause to its consummation.

The attitude toward the bloodline of the revolution is, in itself, the attitude toward the leader. Therefore, the working-class party and people should always adhere fast to the bloodline created by the leader in advancing the revolution and construction.

The question of carrying forward brilliantly the bloodline created by the leader arises as an especially important one at a time of generational change in leadership. As history shows, if we should fail to carry forward and adhere to the bloodline created by the leader at a time of generational change in leadership, the ideology and achievements built by the last leader will lose luster. And in the end, the revolution will die down. The fact that the revolution has collapsed in a number of countries that had been building socialism, and that the ideologies and achievements built by their leaders were insulted, castrated, and thrown out, after all has something to do with their failure to properly resolve the succession issue of the leader's bloodline.

The Korean revolution has the chuche bloodline as its lifeline. It is, after all, impossible to think of the succession and attainment of the Korean revolution apart from the chuche bloodline. Indeed, in defending, adhering to, and carrying forward the great chuche bloodline resolutely lies the guarantee for accelerating the reunification of the fatherland and the self-reliance cause of the world, as well as the key to preserving the lifeline of the Korean revolution and to achieving the prosperity and development of our country, our fatherland.

For our people today, to carry forward the chuche bloodline brilliantly is a sacred cause for, first of all, holding aloft forever the respected and beloved Comrade Kim Il-song as the permanent leader of our revolution, and for firmly ensuring the leader's eternal life.

The bloodline is the most precious asset and heritage built by the leader in his lifetime. It fully contains the leader's great revolutionary ideology and achievements, and his noble features. When the bloodline created by the leader is adhered to and carried forward brilliantly, his ideology and achievements will shine forever and he will be living an eternal life. The eternal life of the leader precisely means the eternity of the bloodline created by him.

For our party and people, the work to adhere to and carry forward the chuche bloodline is, in itself, is a sacred cause for the eternal life of the great leader Comrade Kim Il-song. The chuche bloodline is the most precious asset for which the fatherly leader devoted his whole life.

For our people, to carry forward the chuche bloodline means to be guided solely by the leader's revolutionary ideology and achievements in advancing the revolution and construction, and to live and struggle in accordance with the leader's will. When our party and people continue to adhere to the chuche bloodline, adding luster to it generation after generation, the chuche ideology founded by the great leader will radiate brilliance as the guiding ideology of our revolution, and the lifetime achievements of the leader will remain shining forever.

For our people, to carry forward the chuche bloodline brilliantly is also the most honorable and worthy work to uphold the ideology and leadership of the respected and beloved Comrade Kim Chong-il with loyalty and, by doing so, to advance the chuche cause toward its ultimate attainment generation after generation.

The bloodline of the party and revolution is founded by the leader of the working class, and it is carried forward and brilliantly embodied by a successor faithful to the leader and his cause. The bloodline of the leader is, in itself, the bloodline of his successor. The work to carry forward the bloodline founded by the leader is synonymous with the loyalty to his successor faithful to the cause of the leader.

For our party and people, the work to carry forward the chuche bloodline is, essentially, the work to uphold the ideology and leadership of the respected and beloved Comrade Kim Chong-il with loyalty.

The respected and beloved Comrade Kim Chong-il, from an early date, put it forth as his paramount mission to adhere fast to the chuche bloodline and carry forward the chuche cause toward its ultimate attainment generation after generation. The 30-odd-year history of his revolutionary activity is also the history of how the respected and beloved Comrade Kim Chong-il, along with the fatherly leader, took the helm leading our revolution, and how brilliantly he carried forward and developed the chuche bloodline.

The noble features of the respected and beloved Comrade Kim Chong-il has been demonstrated even more powerfully since the death of the fatherly leader.

It was the respected and beloved Comrade Kim Chong-il who, following the death of the fatherly leader, issued the revolutionary slogan "Let Us Arm Ourselves Even More Thoroughly With the Revolutionary Ideology of the great leader Comrade Kim Il-song!" to ensure that our party and people live and struggle in accordance with the ideology and will of the leader forever. It was him who continued to visit units known for the memory of the leader's personal guidance for them, prompting them to new upsurges in the fulfillment of the teachings left by the leader. It was also him who led our functionaries and working people to do things only in the way taught by the leader. Indeed, all the thinking and activities of the respected and beloved Comrade Kim Chong-il for the victorious advances of our revolution boils down to one thing: to carry forward brilliantly the chuche bloodline created by the great leader and achieve the ultimate victory of the chuche cause.

For our party and people today, the process of adhering to and carrying forward the chuche bloodline is, in itself, the process of adding luster to what the respected and beloved Comrade Kim Chong-il has accomplished, and of faithfully upholding the ideology and leadership of the commander in chief and carrying on the revolution unswervingly generation after generation. When we push ahead holding fast to the chuche bloodline, we will be faithfully upholding the cause of the respected and beloved Comrade Kim Chong-il to advance and complete our revolution in accordance with the ideology and intent of the great leader.

To bring the protect-the-leader spirit into full play constitutes a basic guarantee for adhering to and carrying forward the chuche bloodline.

It is the spirit of staunchly protecting the leader politically, ideologically, and with one's life, the spirit of protecting all the achievements of the leader, and the assets he created. The basic purpose of carrying forward the bloodline is to better uphold and serve the leader in pressing on the revolutionary cause he charted to its attainment. Therefore, the first, second, and third priorities in adhering to and carrying forward the bloodline are all to protect the leader with a do-or-die spirit. If there is no leader, there can be no bloodline. Nor can there be the succession and attainment of the revolution. The struggle to adhere to and carry forward the bloodline is, essentially, the struggle to protect the leader.

As they made revolution day in, day out, with the respected and beloved Comrade Kim Chong-il at the helm, our people have keenly realized how determinedly the chuche bloodline has been maintained, and how brilliantly it has been carried forward, by Comrade Kim Chong-il. Day after day, they engraved on their hearts the truth, the absolutely irreplaceable truth, that in upholding and serving the leader of the revolution, and in protecting him with their lives, does the decisive way to carry forward the bloodline of the revolution lie.

Apart from the respected and beloved Comrade Kim Chong-il there can be no chuche bloodline nor the attainment of the chuche cause.

When the entire party, the whole army, and all the people resolutely safeguard the respected and beloved Commander in Chief Kim Chong-il with the do-or-die spirit of the O Chung-hup Seventh Regiment, the spirit to become bullets and shells to protect the leader, the chuche bloodline will be maintained firmly, and our revolution will shine forever as the chuche cause.

To thoroughly maintain the purity of the chuche bloodline is the most important requirement in the succession of the bloodline.

To maintain the bloodline is, in essence, to maintain and ensure its purity.

With our revolution, charted by the great leader and now led by the respected and beloved Comrade Kim Chong-il, there can be only one bloodline: the chuche bloodline. It is the one and only lifeline of our revolution, and the unique bloodline of the Kim Il-song people [minjok].

We should know of only one bloodline, the chuche bloodline built by the great leader and the respected and beloved Comrade Kim Chong-il, and carry it forward in the purest fashion with absolute faith in it.

It is a sacred duty of our party members and working people to highly display their indomitable revolutionary spirit to embody the chuche bloodline in every way.

The work to carry forward and embody the bloodline is by no means an easy one. Unexpected trials and tribulations could be lying in store in its way.

Like the late revolutionary fighters in the days of the arduous anti-Japanese struggle—who went down a hundred times but rose and fought again a hundred times with the indomitable, you-may-kill-me-but-not-bend-me spirit—we should fight on even more vigorously to attain the cause of our way of socialism adhering fast to the chuche bloodline, holding aloft the red flag.

The great chuche bloodline is the source of invincibility making it possible for our people to create something out of nothing, to turn adversity into prosperity, and to gain only victories.

Whatever raging storms might hit the path of our revolution in the future, or even if the world should change, say a hundred times, our people will fight on staunchly, with the chuche bloodline—the Kim Il-song people's eternal bloodline begun in Mangyongdae, the cradle of the revolution, and carried on unyieldingly along with the tradition of Mt. Paektu, the sacred mountain of the revolution—engraved on their hearts as Korea's eternal bloodline.

DPRK: Talk on Basis of Solidity of Nation's Socialism

SK1307064196 Pyongyang Korean Central Broadcasting Network in Korean 2228 GMT 10 Jul 96

[Unattributed Talk: "The Basis of the Solidity of Our Country's Socialism"]

[FBIS Translated Text] Our-style socialism which is embodied with the chuche idea, is the most superior and solid socialism. The man-centered socialism where the great party, the great people, and the chuche idea are embodied form the basis of the solidity of our- style socialism.

The great leader [suryong] Comrade Kim Il-song has taught: The basis of the solidity of our country's socialism and a source of power to bridge over any adversity and distress lie in the great party deep-rooted in the popular masses; the great people upholding the party's leadership with fealty; and the man-oriented socialism where the chuche idea is embodied.

As the great leader [suryong] Kim Il-song taught, the basis of the solidity of our country's socialism and the source of power are predicated on the great party deep-rooted in the popular masses; the great people upholding the party's leadership with fealty; and the man-oriented socialism where the chuche idea is embodied.

The solidity of socialism is determined by how great the party and the people are; what their ideology is based on; and whom the social system serves. The underpinning of the strength of our country's socialism lies, above all, in the fact that it is led by the great party deep-seated in the popular masses. The party's leadership is a lifeline for the socialist cause, because it is the basic essence and inevitable condition to guarantee and regulate a socialist society's sound existence and its constant development. Socialism is solidified and developed through the active leadership roles of the main forces of the revolution. The main forces of the revolution are driving forces who ensure the existence and solid development of socialism.

Enhancing the party and heightening its leading role are basic in strengthening the main forces of the revolution. Only when the popular masses are united around the leader [suryong] organizationally and ideologically under the party's leadership, can they be the masters of independent social and political living bodies and the potent main forces of the revolution.

As the party is a core element and creative element of the driving forces of the revolution, the party should be firstly enhanced so as to strengthen the main forces of the revolution. Only when the party is great and potent, the popular masses are ideologically sound, can the party then become the potent master of the revolution by establishing deep roots among the popular masses and getting integrated with them as one social and political living body. The party's leadership is a fundamental condition to advance and firmly develop the socialist cause based on correct fighting strategies and tactics and correct guidelines and policies.

The socialist cause can advance victoriously only through correct fighting strategies and precise guidelines and policies. At each period and each stage of revolution and construction, our party that is deeply rooted in the popular masses has proposed independent guidelines and policies befitting our people's aspirations and demands and our country's concrete situation; completely implemented them by mobilizing and organizing all the people; and, thus, garnered a glorious triumph in revolution and construction and continuously consolidated and developed the chuche-oriented socialist system.

Throughout the entire process of implementing the socialist cause, the party's leadership is an essential requirement to consistently maintain and thoroughly embody the revolutionary principle. The socialist cause differs from other social movements because of its fidelity to the revolutionary principle, which protects and executes the popular masses' independence and moves ahead and steadfastly develops based on the justness and vitality of the revolutionary principle.

Due to the wise leadership of our party, which firmly and consistently adheres to the revolutionary principle, our people were able to triumphantly pioneer the revolutionary road, upholding the banner of socialism, in accordance with the popular masses' independent demands and interests even in unprecedentedly complicated and dire circumstances.

Also, the basis of the solidity of socialism in our country lies in the fact that socialism is strengthened and developed by the great people who uphold the party's leadership with fealty. Our country's socialism is the firmest socialism forming the single- heartedly-united and strong political basis of the leader [suryong], the party, and the popular masses. Our people are great people cherishing the loyalty to the leader [suryong] and the party as their faith and fidelity; the revolutionary people who faithfully uphold the party's leadership under the motto "What the party decides, we will do."

Our party is awash with a resolute determination to serve the people, and our people are afire with glowing loyalty to complete the chuche-oriented revolutionary cause to the end under the party's leadership. Our nation's socialism is solid, potent, and incomparably superior because the party and the leader [suryong] believe in the people; the people follow the party and the leader [suryong] with faith and serve them with loyalty; and the leader [suryong], the party, and the masses have formed a strong social and political ground united with one mind.

The basis of the solidity of our country's socialism lies, also, in the fact that it is a man-centered socialism which has embodied the great chuche idea. The chuche idea is the most scientific idea which sheds light on the emancipation of the nation, of the class, and of the human beings; the most revolutionary idea which incorporates the working class's indigenous demand to protect and implement independence of human beings.

The fundamental superiority of our-style socialism lies in a man- centered society where all things are centered on human beings and served them. Under our country's socialist system where the great chuche idea is embodied, the working popular masses are the masters of everything, and everything serves the popular masses. Our country is providing the popular masses with all sorts of conditions enabling them to implement social and political independence; thoroughly warranting and responsible for their material and cultural life. This reality makes the people absolutely trust the party and the state and further cements their belief in socialism.

Accordingly, the basis of our country's socialism is the great party's wise leadership; the dedicated struggle of the great people who are upholding the party's leadership with fealty; the man- centered superior socialism where the chuche idea is embodied. The reason for our country's socialism to have solidly improved today as socialism equipped with invincible power is that the respected and beloved leader [suryong] and the respected and beloved General Kim Chong-il have wisely led our party and our people.

Upholding the leadership of the party and the leader [suryong] and waving the revolutionary red banner all the more fervently, our people will vigorously wage a struggle to consolidate the three fortresses of our-style socialism — the socialist political and ideological fortress, the economic fortress, and the military fortress — as invincible fortresses.

By doing so, we will exhibit the spirit of the socialist DPRK all over the world through sparing no effort to display the superiority of our socialism.

DPRK: Superiority of Communist Morality Elaborated

SK1507110296 Pyongyang Korean Central Broadcasting Network in Korean 2235 GMT 11 Jul 96

[Unattributed talk: "Smashing the Imperialists' Ideological and Cultural Infiltration Is an Important Demand for Establishing Communist Morality"]

[FBIS Translated Text] Today, we are resolutely defending socialism of our own style amid the struggle against the imperialists and reactionaries who are trying to crush socialism. The struggle to defend socialism of our own style is being waged not only in the political and economic fields, but also in the fields of ideology and morality.

In his classic work, "Respecting Senior Revolutionaries Is Revolutionaries' Lofty Moral Obligation," the great leader [yongdoja] Comrade Kim Chong-il elucidated that smashing the imperialists' ideological and cultural infiltration is an important guarantee for establishing communist morality and defending socialism.

The great leader Comrade Kim Chong-il has indicated: We should enhance vigilance against the imperialists' ideological and cultural infiltration and thoroughly smash it.

Consummating socialism is, first of all, the perfection of a human being himself, the master of society, and moral perfection occupies an important position in the perfection of a human being. The morality that forms the highest stage in the development of mankind's morality is precisely communist morality.

The work to establish communist morality can be successfully carried out only by the struggle to smash the imperialists' ideological and cultural infiltration, because smashing the imperialists' ideological and cultural infiltration makes it possible to thoroughly prevent people from becoming corrupt and from degenerating spiritually and morally and to foster them to become genuine communist human beings.

The imperialists are tenaciously attempting to make people spiritual cripples by extensively spreading corrupt bourgeois culture and life style among them. Bourgeois ideology and culture is making people spiritual cripples whose consciousness of independence has been paralyzed.

What is most typical in bourgeois ideology and culture, which make people spiritual cripples whose consciousness of independence has been paralyzed, is eroticism and epicureanism. Defining a human being's inherent nature as sexual instinct, the imperialists are leading people to moral ruin through erotic films and music which stimulate their peripheral nerves; frantic dance; nude fine art; and debauched and erotic novels and magazines.

In the United States, the den of bourgeois ideology and culture, 260-odd different kinds of erotic magazines alone are published every year. Eroticism is making young people, in particular, animal-like human beings who seek only momentary pleasure without having any ideals or ambitions.

The main means imperialists use to paralyze people's consciousness of independence and lead them to epicureanism is narcotics and alcohol.

Illegal drug trafficking in the United States reaches $100 billion annually, and there are as many as 30 million drug addicts.

By addicting people to narcotics and alcohol, the imperialists, including the United States, are leading people to seek only momentary pleasure and stability, while losing their self-awareness and hopes for future. Thus, they are fanning people to lead meaningless and depraved lives.

Furthermore, bourgeois ideology and culture are turning society into an animal world where the inhuman relationship of struggle for existence and the law of the jungle prevail.

Capitalist society based on individualism takes the individualist principle that "each individual exists only for his own interest" as an absolute principle. In this society, purpose and means are to be established on the basis of individual interests, and social relationship centered on individuals — in which only an individual's interests, and not those of others, are taken into consideration — are established.

The individualism the imperialists' ideology and culture are pursuing not only inspires people to unhesitatingly do extreme acts that even harm others' lives in order to seek their own interests, but also makes their relationships inhuman relationships of extreme antagonism, jealousy, conflict, and confrontation.

One examples of this is the fact that on average 2 million cases of violent crimes have been reported annually in the United States and the lives of 6 million people have been damaged.

Last year, a father stabbed his 14-year old son to death in the state of New Mexico. Earlier, a divorced woman in Union City drowned her two children in a lake in order to curry favor with her new boyfriend.

That the mammonish capitalist society is leading people to the road of deplorable depravity is proven eloquently by the fact that, to make money, a woman takes the disgraceful step of marrying a sheep-herding dog [yangmorigae], after the dog had inherited property worth several million dollars.

The corrupt reality of the capitalist society in which bourgeois morality prevails shows that people cannot be fostered into communist human beings without thoroughly opposing and rejecting the reactionary ideology and culture that the imperialists spread.

The reason thoroughly smashing the imperialists' ideological and cultural infiltration is an important requirement in establishing communist morality is because it also becomes a firm guarantee to resolutely safeguard and defend socialism, in which communist morality prevails.

The imperialists are attempting to make people in socialist countries suffer from a ideological disease through their ideological and cultural infiltration, and to make socialist countries return to capitalism by destroying them from within.

In step with this, betrayers of socialism in the past completely opened the door to the imperialists' reactionary, ideological offensive under the slogan of opening up and pluralism.

In 1980 the former Soviet Union completely lifted the electronic jamming against the West German and Israeli broadcasting networks. In December 1987 the Hungarian television broadcasting network prepared to air U.S. television programs via satellite. Other Eastern European countries also prepared to air television programs from Western countries.

Along with this these countries introduced yellow journals, vulgar literature and art works, and other decadent films and music the imperialists had produced. As a result of opening the door to the imperialists' reactionary propaganda offensives while giving up ideological education of the people, the people have been disarmed ideologically and changed into (?decadent) people who know only money, villas, and private cars.

Some intellectuals and young people who have come to indulge in the bourgeois and reactionary ideologies even demonstrated against socialism. In step with the vicious antisocialist offensives of the imperialists, betrayers of socialism introduced multiparty politics and the market economy, and eventually brought about the tragedy of the collapse of socialism.

The infiltration of bourgeois ideology and culture revived capitalism in these countries. Today, their traditional culture has been eliminated, ethics and morality have been confused, and all sorts of degenerating evil capitalist practices have reappeared in these countries. People do not care about the destiny of the country or nation. They are blinded by personal pleasure and money, and are busy pursuing only pleasure and money. They have lost their political lives and are living day-to-day, like animals.

Meanwhile, exploitation, suppression, and social inequality has expanded, and mass unemployment, famine, murder, fraud, trafficking in humans, suicide, dissipation, and drug and alcohol addiction is on a ceaseless increase.

The Russian paper (RUSSISKAYA GAZETTA) wrote that as many as 352,000 people were killed or injured by criminals in the last four years in Russia, which can be compared to that of wartime. There are even murderers' corporations specializing in killing for hire in Russia. According to the Hungarian police, there were 106,420 crimes in the first quarter of 1993 alone.

Thus, the penetration of the imperialist ideology and culture makes people ideologically ill and morally corrupt, and socialism then loses its mighty main force and even the socialist gains cannot be defended. This tells us that when we stand guard against the imperialists' ideological and cultural penetration in a revolutionary manner and completely crush the penetration, we can victoriously advance the socialist cause and firmly establish the communist morality in the entire society.

South Korea

ROK: DPRK Seeks Early Initiation of Reactor Project

SK1407021096 Seoul YONHAP in English 0205 GMT 14 Jul 96

[FBIS Transcribed Text] New York, July 13 (YONHAP) — North Korea has requested that the Korean Peninsula Energy Development Organization (KEDO) initiate the light-water reactor construction project at an early date.

Pyongyang's Ambassador-at-Large Ho Chong made the request to KEDO Executive Director Stephen Bosworth in a recent meeting, expressing concerns about delay in the reactor project, a KEDO official said Saturday [13 July].

Ho and Bosworth signed Thursday three follow-up protocols to the reactor supply agreement governing privileges, immunities, consular protection, communications and transportation.

Bosworth pointed out to ho that the reactor project has somewhat been delayed due to a prolonged time required for negotiating the reactor supply accord and its follow-up protocols, according to the official.

Now that the three protocols, providing minimum legal arrangements, have been signed, however, Bosworth pledged to try to launch the project as soon as possible, the official added.

Ho, who arrived here last Saturday, left for home Saturday.

ROK Official Scheduled To Visit DPRK in KEDO Delegation

SK1507004996 Seoul YONHAP in English 0046 GMT 15 Jul 96

[FBIS Transcribed Text] Seoul, July 15 (YONHAP) — A senior official will represent the South Korean Government when the Korean Peninsula Energy Development Organization (KEDO) negotiates follow- up protocols to the light-water reactor supply agreement with North Koreans in Mt. Myohyang, North of Pyongyang, beginning Saturday [20 July].

"Kim Yong-mok, advisor to the Office of Planning for Light-Water Reactor Project, will receive an entry visa from North Korea as a representative of the South Korean Government, an executive member of KEDO," a government official said Monday.

KEDO staff and government representatives of KEDO member nations will enjoy privileges similar to those accorded diplomats under the recently-signed protocol on privileges, immunities and consular protection.

It will be the first time for a South Korean official to take part in the light-water reactor negotiations as a representative of the Seoul government since 1993 when the United States began talking with North Korea about its nuclear development program.

A KEDO delegation and its North Korean counterpart are scheduled to begin negotiating protocols on the control of the reactor building sites in Sinpo on the east coast of North Korea and services to be provided by the North at the Mt. Myohyang Hotel.

A 12-member KEDO delegation will meet in Seoul Wednesday to coordinate strategies for the upcoming negotiations, and will depart for Beijing Thursday and arrive in North Korea Saturday.

ROK: Weekly Views Kantor's Trip, U.S. Trade

SK1307125996 Seoul THE KOREA ECONOMIC WEEKLY in English 8 Jul 96 pp 1, 20

[Report by staff reporter Kim Su-chan: "Automobile, Telecom Inds. Get Caught Between Seoul-Washington Trade Talks"]

[FBIS Transcribed Text] The residence of US Ambassador James Laney, in the heart of Seoul, was transformed into a showcase for US automobiles on June 25. There, the US Commerce Secretary doubled as a salesman for the Big Three — Ford, Chrysler and General Motors.

After having praised safety, quality and variety of US automobiles, Mickey Kantor, US Secretary of Commerce, asked Vice Minister An Kwang-ku of Trade, Industry and Energy of Korea and other spectators to join him in examining the world-class American automobiles on display there.

Despite his short stay of 29 hours in Seoul, Kantor unsparingly allotted his time for attending such a high-profile event to promote sales of American automobiles here.

Outwardly, Kantor visited Seoul to have a series of get-acquainted sessions with his counterparts here. Some government officials also backed up the claim by saying that Kantor's meetings with Korean economic ministers were not official talks but just a courtesy call to seek ways for promotion of economic cooperation between the two countries.

Nevertheless, Kantor, as part of a presidential trade and economic policy mission, conveyed his strong message for further market liberalization to the Korean side even though most of what he said was nothing new.

Actually, the US top economic official met President Kim Yong-sam and most economic ministers whose businesses are closely related with American companies' interest.

During the meeting with Minister Pak Chae-yun of Trade, Industry and Energy, Kantor asked Seoul to further reduce import tariffs of eight percent on automobiles and lower auto taxes on jeep-type vehicles. At a press conference ending his trip to Korea, the Commerce Secretary expressed strong interest in the Korean auto market, saying: "We want to sell as many American cars as possible. But we have no particular target percentage in mind."

Pointing out that the Seoul government has tacitly prevented their companies from purchasing US telecommunications equipment, Kantor also demanded Seoul liberalize the telecommunications equipment market. He asked Korea to join the Information and Telecommunications Agreement, which is jointly pushed by the US, Japan and EU to clear away all trade barriers in information and telecommunications market from the year 2000.

The US secretary stretched his hands even to the construction market. He asked Minister Chu Kyong-sok of Construction and Transportation to provide US companies more opportunities to participate in construction of a new international airport on Yongjong Island. Continuous cooperation between the US and Korean companies will encourage APEC countries to conclude an 'open sky' agreement through which their airliners will freely pass through each other's territorial skies in the long run, Kantor told reporters before his departure to Indonesia.

Besides these requests, Kantor never failed to ask for improved inspection and quarantine system for agricultural imports and for reinforced activities to protect US intellectual property rights for computer software and trademarks.

Unlike an original expectation that his visit was going to be just a courtesy call, the US Commerce Secretary voiced as many orders as he could.

Some government officials hoped that through this visit, Kantor, who once was at the vanguard of US pressure for market liberalization as chief of the USTR [U.S. Trade Representative], would have a better understanding on the Korean market.

But citing Korea's worsened trade deficit with the US, most industry watchers said, "The US Government's requests went too far." During the first five months of this year, Korean exports to the US rose merely 9.1 percent to $9.53 billion, compared to its 16 percent increased imports of $13.85 billion.

They also asked the Korean Government to take a firm stand against Washington's one-sided requests. They even say that the US is making light of Korea in terms of trade pressure.

Some industry commentators analyzed that Kantor's visit to the three countries is correlated with US changing trade policy which is putting more emphasis on Asia, especially so-called big emerging markets where automobiles, telecommunications and construction markets are rapidly growing. The Clinton administration seems to believe that the future of the US economy fully depends on this market. That's why Kantor selected the three countries as his first destination after taking office in April, they explained. Furthermore, the Clinton administration is expected to strengthen its trade pressure to get an advantage for the coming presidential election, they added.

ROK: U.S. Visas Issued Illegally in Exchange for 'Payments'

SK1307143196 Seoul MBC Television Network in Korean 1200 GMT 13 Jul 96

[FBIS Translated Text] It takes over one month to receive a U.S. visa, and it is not easy to receive one. This is definitely unbefitting either the ROK's position or the characteristics of ROK- U.S. relations. There are increasing voices insisting that it is time to decide on a visa waiver.

Reporter Yi Ho-in will explain the current situation and problems regarding U.S. visa issuance to Koreans.

[Begin recording] [Yi Ho-in] People have started the tiresome process of waiting in line as usual. [Video shows crowd waiting in line at front of rear gate of U.S. Embassy in Seoul.] This difficult method of receiving U.S. visas is like a war for those standing in line.

[Unidentified man] The embassy behaves like it is giving us some sort of special privilege.

[Yi] Despite last year's scandal on the illegal issuance of U.S. visas, secret deals still exist. A visa interview ticket is sold at a cost of some 100,000 won [approximately $125], and illegal issuance of visas is arranged in return for receiving huge payments.

[Unidentified man] We cannot meet [words indistinct]. We are just told that it costs over 5 million won, without knowing the exact charge.

[Yi] It is well known to the public that there are Koreans who aim to illegally enter the United States in Canadian border areas adjacent to the United States.

The visa refusal rate for Koreans this year is still high, 6 percent on average. The United States points to Koreans illegally staying in the United States as the primary reason for the refusal. The U.S. Congress determines visa waivers for a certain country based on the statistics of the annual visa refusal rate for the country.

[Kathryn D. Robinson, U.S. consul general] The B-1/B-2 visa refusal rate for nationals of a country must be less than 2 percent for two consecutive years.

[Yi] However, taking this into consideration, many people still say there are problems with U.S. visa issuance procedures. For example, they point out unnecessarily difficult requirements by the embassy and decisions of whether to issue a visa based on the subjective judgement of an interviewing consul.

[Unidentified man] [sentence indistinct]

[Yi] In 1988, the United States decided to waive visas for the nationals of Japan, a country that has hostile relations with the United States. It is imperative that visa issuance between the ROK and the United States be waived. This befits not only the increasing trade volume but also the so-called blood relations between the two countries. [end recording]

ROK Plans To Send 'Ultimatum' to U.S. on SOFA Revision

SK1407032396 Seoul TONG-A ILBO in Korean 14 Jul 96 p 1

[Article by reporters Pang Hyong-nam and Pak Chekyun]

[FBIS Translated Text] It was learned on 13 July that the government will send an ultimatum to the United States that unless the United States agrees to negotiate a revision of the Status of Forces Agreement [SOFA] at an early date, the ROK government will regard this as the rupture of the SOFA negotiations.

The government will present this position to Frank Kramer [name as published], U.S. assistant secretary of defense for international security in charge of the Asia-Pacific region, who will visit the ROK on 15 July.

In view of the fact that the U.S. Defense Department is the most vocal within the U.S. Government in its opposition to the ROK's demand for revising the SOFA, this notification illustrates the ROK's preparedness to risk the rupture of negotiations.

The government will also convey to Assistant Secretary of Defense Kramer that if there is a rupture in the SOFA negotiations, which Foreign Minister Kong No-myong and U.S. Defense Secretary William Perry agreed to settle by the end of January next year, then in the next round of negotiations the ROK will have to link the progress of the SOFA negotiations with the issue of the ROK's defense cost sharing. During his visit to the ROK, Assistant Secretary Kramer will meet Defense Minister Yi Yang-ho, Vice Defense Minister Yi Chongnin, and Chong Tae-ik, first assistant foreign minister. They will exchange views on pending defense issues between the ROK and the United States, including the SOFA negotiations and security issues in Northeast Asia, before he departs for Japan on the morning of 17 July.

The ROK presented a final draft of the SOFA revision to the United States in March. The U.S. promised to reply by the end of June, but has not yet come forth to negotiate.

ROK Article on U.S. 'Insincerity' Toward SOFA Revision Talks

SK1507045596 Seoul KYONGHYANG SINMUN in Korean 15 Jul 96 p 2

[Article by Political Department reporter Yi Pyong-kwang; from the "Reporter's Memo" column: "We Are in the Dark as to When the SOFA Revision Will Come"]

[FBIS Translated Text] We have been in the dark for four months as to when the revision of the Status of Forces Agreement [SOFA] will take place because no progress has been made over the past four months, ever since the sixth round of negotiation was held in Washington in March.

The United States is responsible for the sluggish progress in the SOFA negotiations. In March, our Foreign Ministry conveyed our compromise plan to the United States, pushed ahead with the negotiations for revising a target date for its settlement for early June when the 15th National assembly was supposed to open. However, this plan ruthlessly broke down because of insincerity by the United States.

In view of the remarks made by U.S. Ambassador Laney, it is evident the United States was fully aware of our government's position. Laney said: "The negotiations for revising the SOFA will be settled in early June before the ROK National Assembly begins business." Despite that, the United States has not shown any reaction, positive or negative, to our draft for a revision, stating: "We have not internally formulated our position yet." The Foreign Ministry requested that Walter Slocombe, the U.S. under secretary of defense for political affairs, who visited the PRC toward the end of June, stop over in the ROK to discuss the SOFA issue. However, Under Secretary Slocombe, apparently feeling burdened, declined the offer, so the meeting was not held.

Then the United States made a verbal promise to hold negotiations over the SOFA revision in the middle of July, but unilaterally canceled the negotiations due to internal circumstances. The Foreign Ministry thinks the United States is assuming this unconvincing attitude because it feels burdened when the draft for the revision has reached the signing stage.

The United States first revised the SOFA in countries where U.S. forces were stationed first: with the ROK in 1991, with Germany in 1993, and with Japan in 1995. The United States reportedly does not wish to revise the SOFA again because a second revision for the ROK would invite demands for a second revision from other countries as well. The weakening voice in the ROK for a second round of revision, as compared to the time when the demand for the second round of revision was first raised, seems to have contributed to the U.S. attitude. When a U.S. soldier sexually harassed a woman in a Seoul subway, and when a civilian employee of the U.S. Forces Korea, Henry McKinley, murdered an ROK citizen in May, the voice of the people burst out like a fire, criticizing the SOFA's unfairness. However, that voice has now subsided somewhat.

However, our people's pride cannot overlook the U.S. attitude of trampling on the promise Secretary of Defense William Perry made when he visited the ROK.

With the people's opinion in mind, the government should reestablish its position, bring the United States to the negotiation table, and conclude the SOFA negotiations as soon as possible.

ROK: Kim Yong-sam on DPRK's Eventually Accepting 4-Way Talks

SK1307095696 Seoul YONHAP in English 0948 GMT 13 Jul 96

[FBIS Transcribed Text] Bangkok, July 13 (YONHAP) — President Kim Yong-sam Saturday painted a rosy picture of the possibility of North Korea coming forward for the four party peace talks among the two Koreas, the United States and China, an Australian daily reported.

In an interview with the "AUSTRALIAN", Kim stressed that the four party meeting is the most pragmatic and reasonable offer South Korea made in consideration of the situation the North faced.

Kim said that he believed that the North will eventually come out for the four-way peace talks for a permanent peace mechanism on the Korean Peninsula, adding that materialization of the talks will greatly contribute to peace and stability in Northeast Asia as well as improvement in inter-Korean relations.

Kim, however, was not sure whether Kim Chong-il actually has firm grip on power in the North, adding that it will also be difficult to predict the future course of the North.

Kim also said that he fully supports Australia's joining the Asia-Europe meeting, adding that Canberra's joining the summit meeting of Asian and European leaders will also be good to other Asian countries.

ROK: U.S., DPRK Hold Contacts in Washington on 4-Way Talks

SK1307012396 Seoul YONHAP in English 0118 GMT 13 Jul 96

[FBIS Transcribed Text] Washington, July 12 (YONHAP) — The United States and North Korea have recently had a series of contacts on holding a briefing session for the proposed four-way talks for peace on the Korean peninsula, U.S. sources said Friday [12 July].

"North Koreans are understood to want to see some visible progress made prior to responding to a four-party talk briefing session, including rice aid," a source involved in Washington- Pyongyang relations told YONHAP by telephone.

U.S. authorities are viewing such an attitude by the North as an expectation rather than a prerequisite to attending the briefing session, the source added.

The source said that a four-way talk briefing session with North Koreans attending might be realized in one way or another next month.

But no substantial progress was made in the recent contacts on the issue of the four-way talks, the source said, adding, "We are prudently considering applying low-level pressure on North Korea."

Even if they attended the briefing session, North Koreans are expected to tenaciously demand rice aid and improved relations with Washington, the source speculated, and therefore, the realization of the four-way meeting is by no means easy as American officials involved have anticipated.

Another American source said that North Koreans themselves know that it is South Korea which will be able to substantially help them overcome their serious food shortages. But the problem is North Korea's reluctance to have South Korean rice aid known at home and abroad, the source added.

To circumvent the problem, a rice aid formula for the North following the pattern of the Korean Peninsula Energy Development Organization (KEDO) has recently been taken up seriously, according to the source.

An international consortium led by the United States, South Korea and Japan, KEDO has achieved remarkable progress in the light-water reactor construction project in the North. North Korea and KEDO signed Thursday three follow-up protocols to the reactor supply agreement governing privileges, immunities and consular protection, communications and transportation.

The formula is being discussed between Seoul and Washington on the occasion of U.S. National Security Advisor Anthony Lake's visit to Seoul Sunday, according to the source.

On press reports saying that North Korea has recently requested certain quantities of rice aid from the United States and Japan, the source remarked that such speculations are of little significance at this juncture.

ROK Daily Tells Lake: 'Not Desirable' To Rush 4-Way Talks

SK1507011196 (Internet) The Digital Chosun Ilbo WWW in English 1136 GMT 14 Jul 96

[FBIS Transcribed Text] It is learned that the government told Anthony Lake, a US presidential security aide who visited Seoul on Sunday [14 July], that it is not desirable to rush the holding of four-party talks in respect of North relations prior to the US presidential elections scheduled for November.

An official of the government said that at the meeting with Lake, both countries focused their discussion on the possible four-party talks and the counter-measures needed to deal with the North food crisis. He said that Korea stressed to the US that in the event that the North does not positively consent to attending four-party talks, it would not be appropriate to accelerate the taking of measures to assist the North such as food aid and economic assistance.

ROK Editorial on Lake's Visit to Seoul, Four-Way Talks

SK1507033296 Seoul KYONGHYANG SINMUN in Korean 15 Jul 96 p 3

[Editorial: "The Four-Way Talks, Their Content Is More Important"]

[FBIS Translated Text] Anthony Lake, national security adviser at the White House, visited Seoul on 14 July. During his short stay of less than 10 hours, he met with Yu Chong-ha, senior presidential secretary for diplomatic and security affairs at Chongwadae [presidential offices], who can be called his counterpart, and contacted Foreign Minister Kong No-myong. They discussed the recent situation surrounding the Korean peninsula. However, the main topic of discussion was the four-way talks. People feel that in view of recent moves by North Korea and the United States, including heir working-level contact in New York, the ROK and The United States must have exchanged opinions and views on very important issues.

We hope the current visit to Seoul by Adviser Lake will be an important turn in realizing the four-way talks. Before coming to Seoul, Lake visited Thailand, Vietnam, and the PRC — important rice-producing countries in Southeast Asia; after visiting Seoul, he flew directly to Tokyo. This shows his Seoul visit is most likely a trip made with concrete plans and means for bringing about the four- way talks, including rice aid to North Korea. This being the case, we may say the prospect for the four-way talks is very bright.

However, as the feasibility of the four-way talks becomes greater, we cannot help but pay more attention to the nature of the talks. We are concerned about the possibility of the talks becoming an arena for direct contact between North Korea and the United States, with four-way talks remaining merely in name. If our worries become a reality, that will greatly hamper North-South relations. During his stay in Seoul, if Adviser Lake requested the ROK offer rice aid to North Korea in an attempt to induce North Korea to attend an explanatory session regarding the four-way talks, this indicates there is a great possibility the four-way talks would become merely empty talks.

If North Korea wants food aid from the ROK, it should make such a request directly to the ROK Government. If North Korea made such a request via the U.S. Government, the United States had better help North Korea and the ROK Government resolve these problems through direct dialogue. This corresponds to Washington's position that the problems of the Korean peninsula should be resolved by the relevant parties in North and South Korea. However, if talks are held only after the United States and North Korea agreed on a certain issue, the talks cannot but be nominal and empty.

It was learned the ROK Government has already requested the United States freeze North Korea-U.S. relations in the event North Korea fails to respond to the four-way talks, and asked the United States not to unreasonably attempt to improve relations with North Korea before the November presidential election. However, we urge the government to ponder and examine if such acts are meaningful. We believe a request to the United States to help North Korea engage in concrete dialogue with the Seoul government over the issue of rice aid to North Korea is more desirous in terms of both formality and significance.

ROK: Lake's Visit Reaffirms ROK-U.S. Strategy Against DPRK

SK1507022896 Seoul YONHAP in English
0223 GMT 15 Jul 96

[FBIS Transcribed Text] Seoul, July 15 (YONHAP) — South Korea and the United States have reaffirmed they will work together to coordinate their policies toward North Korea in the talks Sunday [14 July] between Senior Presidential Secretary for Foreign Affairs and National Security Yu Chong-ha and U.S. National Security Advisor Anthony Lake.

During the meeting, both countries made it clear that South and North Korea will play the leading role in the discussion of easing tensions on the Korean peninsula and establishing a peace agreement, with the United States playing a supplementary role.

They reportedly agreed that there will be no additional economic assistance for or cooperation with North Korea until the North accepts the four-party talks proposed to establish a framework for peace on the Korean peninsula.

Analysts said the agreement neutralized North Korea's attempt to gain maximum benefits by delaying its response to the proposed four- nation talks involving South and North Korea, the United States and China.

Of particular interest during the Yu-Lake talks was the fact that South Korea and the United States have already begun a full-scale discussion of the agenda, format and basic principles for the four- party meeting.

Such preparations were apparently based on the fact that although Pyongyang has remained "cautious" toward the proposal, it has not boycotted the talks outright.

Observers said that North Korea must offer a positive sign through unofficial channels between Washington and Pyongyang.

They reportedly agreed that when the four-nation talks take place, they will first seek ways to establish mutual trust between South and North Korea so that a long lasting Korean peninsula peace agreement can be negotiated between the two.

Yu and Lake were also said to have discussed tangible ways of seeking cooperative relations between South Korea, the United States, China and Japan while the American official visited Beijing and Tokyo.

Although there are some skeptics with regard to the current South Korea-U.S. cooperative coordination of its North Korean policy, the meeting between Yu and Lake drew keen attention because they have been mapping out the details for the four-way talks through unofficial channels since last January.

A government official here, however, denied that there has been any discord between Seoul and Washington, as some reports indicate, by saying, "The United States will continue to respect South Korea's present policy toward North Korea."

ROK: DPRK 'Conciliatory Attitude' Improving Ties With PRC

SK1207152296 Seoul SEOUL SINMUN in Korean 12 Jul 96 p 5

[Article by Beijing correspondent Yi Sok-u: "Why Have the PRC and DPRK Been Having Frequent Contacts?"]

[FBIS Summary] The relations between North Korea and China have been undergoing a period of readjustment after a long cooling-off period, with the 35th anniversary of the signing of the Treaty of Friendship, Cooperation, and Mutual Assistance as the occasion for the readjustment.

President Jiang Zemin, Prime Minister Li Peng, and other Chinese leaders have warmly received a North Korean delegation led by Vice Premier Kim Yun-hyok and told the North Korean delegation that China will "assist the DPRK in socialist construction as much as possible."

And a Chinese delegation led by Luo Gan, secretary general of the Chinese State Council General Office, and two Chinese destroyers are paying a goodwill visit to North Korea.

North Korea sent an economic delegation led by Vice Premier Hong Song-nam and a goodwill delegation led by Vice Foreign Minister Choe U-chin to China on 22 May and 4 June, respectively.

These exchanges show that DPRK-China relations are changing. Since Prime Minister Li Peng stressed the need to strengthen PRC- DPRK relations earlier this year, China has promised to provide North Korea with 1.5 million tonnes of fuel, a large amount of seeds, and assistance in the expansion of the Supung Dam and the construction of the Sunchon Thermal Power Station.

These changes have taken place not because China has radically changed its attitude, but because North Korea, pressed by its own economic difficulties, has assumed a conciliatory attitude towards China. And China has nothing to lose by demonstrating the traditional friendship between the two countries.

Still, the two countries have different views on bilateral political and diplomatic issues. North Korea has sought to improve relations with Japan and the United States by bypassing China and has even tried to get close to Taiwan. And President Jiang Zemin and Secretary General Luo Gan mentioned the need to improve North-South relations, even though China knows very well that North Korea tries to avoid holding dialogue with South Korea.

ROK Article on Prolongation of Kim Il-song's Mourning Period

SK1007123096 Seoul SEOUL SINMUN in Korean 8 Jul 96 p 5

[Article by Chang Su-kun, a researcher at the International Strategic Institute; from the "Southward Wind and Northward Wind" column: "The Mourning Period for Kim Il-song Has Been Prolonged"]

[FBIS Translated Text] North Korea's supreme leadership has apparently decided to extend the mourning period for Kim Il-song until July of next year. However, the North Korean authorities have not made any official remarks about this.

Today marks the third calendar year since Kim Il-song's demise. North Korean officials had insinuated, on every chance they got, that the enthronement of Kim Chong-il would take place when the third year of Kim Il-song's mourning period was over on 8 July. Chu Chang-chun, North Korean ambassador to the PRC, strongly implied last January that Kim Chong-il would come to the fore after 8 July, saying: "This year will end the mourning period for President Kim Il-song as it shall have been the third year since his death."

However, since the North Korean concept of a three-year mourning period is unclear on whether it refers to three calendar years or three full years from the day of his demise, ROK Government authorities had regarded this year as the end of the mourning period and predicted the enthronement of Kim Chong-il would take place after July, basing this on Confucian conventions that state the three-year mourning period means the third year to the day of death. However, with July at hand, North Korea has spread a smoke screen, implying the three-year mourning period refers to three full years.

Yi Chong-hyok, vice chairman of the Asia-Pacific Peace Committee, while visiting the United States at the end of last April, let on for the first time that the end of the three-year mourning period refers to three full years. Following this, North Korea's state-run NODONG SINMUN indicated in its 8 June editorial that next year will be the third year, mentioning: "This year is the second year since Kim Il-song died." Most recently, Yang Hyong-sop, chairman of the Supreme People's Assembly, made it clear in his interview with a Mexican daily on 27 June that the mourning period for Kim Il-song will be extended by one year, saying the time for Kim Chong-il to succeed power will be "around next October."

Also, North Korea's state-run Central News Agency backed this up on 4 July by airing a poem which implied Kim Il-song's three-year mourning period would be extended to next year. Kim Man-yong, North Korea's renowned poet, implied this in his poem dedicated to the Workers Party of Korea under the title "Pyongyang Time Goes on Nonstop," reciting: "He delayed the enthronement the people want and which the world is waiting for, stating he could not take off his mourning attire for three years."

According to pertinent sources, North Korea is attributing the reason for extending the mourning period to "adamant public opinion which stresses the mourning period should conclude next year, the third full year since Kim Il-song died, because of the glowing respect North Koreans have for President Kim Il-song." A dominative interpretation sees this reason as nothing but a subterfuge.

Specialists deem that the conditions needed for Kim Chong-il to take office as president and general secretary have not been formed yet, adding: It is not clear again this year whether the food crisis will be resolved, and North Korea has recorded negative economic growth for six years running. In a nutshell, the extension is only to stall to ensure the time needed to overhaul North Korea's internal conditions.

Now that the extension has become an established fact, Kim Chong- il is highly likely to be sworn in as president and general secretary of the Workers Party of Korea after next July. Kim Chong- il has practiced the unprecedented "rule of behests" for the last three years [as published], lacking the confidence of a new vision to replace "Kim Il-song's North Korea." It remains to be seen what blueprint Kim Chong-il will produce in one year.

ROK: Article Profiles Book Describing DPRK Judiciary System

SK1007143996 Seoul HANGUK ILBO in Korean 8 Jul 96 p 5

[Article by reporter Hyon Sang-hwa: "Contents of 'North Korea's Judiciary System' — a Book Published by the Supreme Court"]

[FBIS Translated Text] "An Outline of the North Korean Judicial System," published by the ROK Supreme Court, is characterized by a concrete and detailed analysis of the North Korean judicial system.

An official of the Supreme Court who took part in the compilation stated: "The North Korean judicial system reflects the characteristics of the principle of proletarian dictatorship and the Kim Il-song-Kim Chong-il dictatorship." He added: "To a large extent, North Korea adopted the judicial systems of the Soviet Union, East Germany, the PRC, and other socialist countries. In reality, the party controls the North Korean judicial system."

As a result, North Korea does not appoint judicial officials through state exams, but appoints party members who have a strong loyalty to the party.

Kim Sang-kyun, a judge at the Judicial Administration Agency, said: "North Korea has recently promulgated a counsel lawyers law which contains a clause that attaches less significance to the ideological tendencies of judicial officials. Still, North Korea thoroughly uses the judicial system as a means for the Communist Party to remain in power."

The following is a summary of the book:

Trial System

North Korea has a three-trial judicial system — the central court, 12 provincial courts, and 90 to 100 people's courts. The judicial system is operated in single- or twin-trial procedures. A first-trial court is composed of a professional judge and two people's assessors; a second-trial court is composed of three professional judges. It is stipulated that judges and people's assessors shall be indirectly elected. However, the Workers Party appoints them. Most trials are criminal and divorce trials; there are virtually no civil trials.

The term of the president and the justices of the central court, the Supreme Court, is five years. Ordinary judges are subject to reappointment every four years. Approximately 30 judges out of 300 are women. In the ROK, there are 75 women judges out of 1,330.

State Arbitration System

Individuals cannot be parties to an arbitration; government offices and enterprises can file suits for disputes arising in the carrying out of the people's economic plans. State arbitration offices, not courts, try cases under a single-trial system. They are also in charge of inspection, supervision, and suggestions.

Prosecution System

Prosecutor's offices are constitutional offices. They are in charge of investigations, prosecutions, and auditing. Cities, counties, and districts each have a prosecutor's office. As of 1993, there are 211 offices and over 1,000 prosecutors. The term of the prosecutor general of the Central Prosecutor's Office is five years; the Supreme People's Assembly sometimes appoints a soldier to this post. In addition to prosecutor's offices, there are such quasi-judicial institutions as judicial security committees, reformatories, the Ministry of Public Security, and the State Security Department.

Defense Counsel System

The DPRK Lawyers Association has under it the Central Committee and other offices. The lawyers association receives 10 to 40 percent of the amount involved in a certain suit as its fee, but pays lawyers a monthly salary. There are approximately 500 lawyers. Ordinary people can argue in court on behalf of the accused. It has been learned that people have good feelings toward lawyers.

Judicial Education

Kim Il-song University, the People's Economy University, and only a few other universities have law faculties; they have five-year courses. Around 50 students enroll in a faculty annually. Students learn how to write decisions and other legal procedures. There are no lawyer examinations.

ROK Prime Minister Precludes Secret North-South Contacts

SK1507074396 Seoul KBS-1 Radio Network in Korean 0400 GMT 15 Jul 96

[FBIS Translated Text] Replying to a lawmaker's query at a National Assembly interpellation session today, Prime Minister Yi Su-song said that the government is not even reviewing the possibility of a constitutional revision, because President Kim Yong-sam repeatedly made it clear that the Constitution will not be revised during his term, although the issue of changing the power structure, such as a constitutional revision to introduce a cabinet system, can be discussed in political circles.

Prime Minister Yi Su-song, noting that the president's deserting his party membership and the formation of a national cabinet are the unique right of the president, characteristic of a high political decision, said that he personally thinks that the formation of a national cabinet does not conform with the reality of our country, which adopts the embodiment of responsible politics and partisan politics. Thus he expressed his opposition to it.

Regarding the policy toward the North, Prime Minister Yi Su-song said that the government will boldly push ahead with the policy of aiding the North based on national consensus if North Korea accepts the four-way talks. He stressed that any dialogue between the authorities of the North and the South will be pushed ahead through those who are in a responsible position, and that there will be no secret contacts.

ROK: Kim Chong-il Reportedly Reshuffles Confidants

SK1507035296 Seoul TONG-A ILBO in Korean 15 Jul 96 p 2

[FBIS Translated Text] North Korea's Kim Chong-il is reportedly carrying out a reshuffle of the so-called "first generation of the revolution" by consecutively appointing close confidants to key positions. In this regards, a government official stated on 14 July: "The government has recently obtained information that Security Guard Commander [howi saryonggwan] Yi Ul-sol has been appointed manager of the Kumsusan Memorial Palace (presidential palace) where the remains of Kim Il-song are laid in state, implying he is in effect pushed aside from the top echelons of power."

He continued: "As a successor to Yi, Chong Song-u, commander of the Third Corps who is one of Kim Chong-il's close confidants, has been reportedly named." He added: "This shows that the North Korean power structure has been reshuffled with Kim Chong-il's close confidants."

ROK: 'Source': Kim Chong-il Suggests Economic Reconstruction

SK1407040896 Seoul YONHAP in English 0405 GMT 14 Jul 96

[FBIS Transcribed Text] Tokyo, July 14 (YONHAP) — North Korea's de facto leader Kim Chong-il asked youth activists from Chochongnyun, pro-Pyongyang Union of Korean Residents' Associations in Japan, "to persevere for three more years" last February, the ASAHI SHIMBUN reported Sunday quoting a Japanese source.

Kim was quoted to have told the youth activists, "The motherland is now undergoing difficulties. A way will open for the country in three years. I hope you will persevere until then."

North Korea experts in Japan regard Kim's remarks as an expression of his hope to overcome the current food shortages with relief aid from international agencies, and to achieve economic reconstruction in three years through normalization of relations with the United States and Japan, the daily added.

ROK: Korean Red Cross Plans To Donate Flour, Milk to DPRK

SK1507012296 Seoul THE KOREA TIMES in English 15 Jul 96 p 2

[FBIS Transcribed Text] The Korea National Red Cross will ship wheat flour and powered milk worth 300 million won in humanitarian aid to North Korea to help flood victims.

A ship carrying 286 tons of wheat flour and 36 tons of powered milk will leave Inchon for the North Korean port of Nampo today, said Yi Pyong-ung, secretary general of the Red Cross society.

The South Korean Red Cross society decided to offer the aid because the North Korean Red Cross society called on the International Federation of the Red Cross [IFRC] in August last year to offer the relief aid, he said. The IFRC dispatched two representatives to flood-hit areas in a fact-finding mission in September.

He said that the Red Cross purchased wheat flour with donations made by individuals and religious and social organizations while Konkuk University donated powered milk, requesting that it be used for North Korean children in flood-hit areas.

Originally, the Red Cross tried to offer one 22-kilogram bag of wheat flour to 26,000 North Korean families but failed to secure the large quantity of wheat flour from the local industry. As a result, only 13,000 bags of wheat flour will be included in the fifth batch of relief aid.

The remaining 13,000 bags of wheat flour will be sent to North Korea within this month, he said.

Earlier, the ICRC [as published] decided to aid 130,000 people (26,000 North Korean families) in worst-hit areas for three months and called for donations from Red Cross societies from around the world.

So far, the Korea National Red Cross sent four batches of relief aid worth 730 million won, which includes 10,000 blankets, 100,000 packs of namyon (instant noodle), 20,000 socks, and 186,624 liters of soy bean oil.

"We decided not to send South Korean-labeled namyon because North Korean authorities find it difficult to change its packaging," Yi said.

So far, 952 million won, which includes 106 million won from the Korea National Red Cross' budget, has been raised, the Red Cross society said.

ROK: Envoy Says Pakistan Supports North-South Dialogue

SK1507080596 Seoul YONHAP in English
0604 GMT 15 Jul 96

[FBIS Transcribed Text] Seoul, July 15 (YONHAP) — Pakistani Ambassador Javid Husain expressed his nation's support Monday for dialogue between South and North Korea.

"Pakistan supports dialogue between the Republic of Korea and North Korea for dealing with all inter-Korean issues," he said.

Husain was briefing reporters on the scheduled visit by Pakistani Prime Minister Benazir Bhutto from next Monday through Wednesday at the Lotte Hotel in downtown Seoul.

Islamabad, while maintaining friendly ties with both Seoul and Pyongyang, has no official position on the proposed four-way talks for peace on the Korean peninsula, the diplomat said. The North's Korean Central News Agency reported in May that North Korea would receive 5,000 tons of grain as promised by Pakistan.

"Our policy is to work through the principle of bilateralism," he indicated. "Strengthening ties with the Republic of Korea need not have any effect on our relations with other countries."

Bhutto's visit to Seoul will be her first and the second ever by a Pakistani head of state.

She is slated to meet with President Kim Yong-sam first to discuss bilateral, regional and international issues as well as the development of closer ties and cooperation between their two nations.

South Korea and Pakistan established full diplomatic relations in 1983.

Talks with Prime Minister Yi Su-song, members of the National Assembly and leading Korean businessmen are also on her itinerary.

She will deliver a keynote address at a Pakistani investment conference and attend a luncheon held in her honor by four major Korean economic organizations next Tuesday. A visit to Korea University next Wednesday will conclude her trip.

Bilateral trade between both nations totaled 637 million U.S. dollars last year, the diplomat pointed out, and is expected to rise to 750 million by the end of this year.

Moreover, he added, Pakistan is offering substantial incentives and concession to foreign investors, including a fully convertible currency and 100 percent control of equity capital for foreigners.

"It is our hope that more and more Korean business groups and corporations would take advantage of the attractive investment opportunities existing in Pakistan," he said, noting infrastructure, electronics, chemicals and automobiles, in particular.

Husain stressed the importance that each country places on the non-proliferation of nuclear weapons and bilateral cooperation in multilateral organizations such as the United Nations, the Asia- Europe meeting, the Asia-Pacific Economic Cooperation and the Asia regional forum.

Pakistan also seeks mutual cooperation in cultural, scientific and technical fields with South Korea, he added.

"Such cooperation by enhancing people-to-people level contacts will also promote mutual understanding and help in bringing the two countries closer together."

ROK: DPRK Said Buying Riot Control Equipment Against 'Dissent'

SK1507045196 Seoul YONHAP in English
0423 GMT 15 Jul 96

[FBIS Transcribed Text] Seoul, July 15 (YONHAP) — North Korea is purchasing large quantities of riot control equipment in an apparent effort to guard against civil disturbances this year, a government official said Monday.

Speaking on the basis of a U.S. intelligence report, the official said, Pyongyang has bought since March 600 teargas launchers, 600 gas dischargers, 600 foam dischargers, 1,000 synthetic-rubber bullet guns, three specially-designed escort vehicles, 1,000 cellular phones and radio pagers and 600 packs of riot control gear, comprising bulletproof jackets, gas masks, shields and billyclubs.

The North is still planning to buy more, the official said.

Such purchases are apparently related to the possibility that food riots or huge demonstrations have either already occurred or are imminent, he said.

Reports of a civil disturbance over the grain shortage in Chongjin surfaced last year, and defectors from the North have reported of North Korean law-enforcement authorities executing criminals before the very eyes of the general public to suppress social dissent and unrest.

ROK: Japan's SDP Vows To Embody 'Remorse', 'Apology' in Relations

SK1507052296 Seoul YONHAP in English
0516 GMT 15 Jul 96

[FBIS Transcribed Text] Seoul, July 15 (YONHAP) — Japan'sSocial Democratic Party [SDP] pledged Monday that it will seek to consolidate the friendly relationship between the two countries by embodying the "remorse and apology" expressed by former Socialist Premier Tomiichi Murayama last year, a Foreign Ministry official said.

The pledge was made at a breakfast meeting between Foreign Minister Kong No-myong and the delegation of Japan's Social Democratic Party (SDP) led by Secretary General Kanju Sato which was held at the Lotte Hotel in downtown Seoul, according to the official.

The Japanese socialists were also quoted by the official as saying that their party will try to abolish regulations banning ethnic Koreans in Japan from getting jobs at local provincial governments and running for seats at the local governments.

The Japanese SDP also threw its full support behind the four party peace talks proposed by South Korea and the United States last April.

Sato said that he sought help from China in persuading North Korea to agree to the four party peace talks when he recently visited Beijing.

ROK Plans To Push Northeast Asia Security Dialogue at ARF

SK1507083596 Seoul YONHAP in English
0705 GMT 15 Jul 96

[FBIS Transcribed Text] Seoul, July 15 (YONHAP) — South Korea will push ahead with the idea of the Northeast Asia Security Dialogue (NEASED) at an ASEAN Regional Forum (ARF) meeting of foreign ministers from Asia and countries which have great security interests in Asia such as the United States, Russia and the European Union, Foreign Ministry spokesman So Tae-won said Monday.

During the third annual ARF meeting which will be held in Jakarta, Indonesia, July 23, Foreign Minister Kong No-myong will also seek understanding and support from foreign ministers from 21 countries for the four-party meeting jointly proposed by South Korea and United States last April for a permanent peace regime on the Korean peninsula, So said.

The ARF meeting will address ways to ease tensions in East Asia and the Pacific and other regional security issues while reviewing activities of the ARF for the past year and discussing the future of the ARF, the spokesman said.

A Post Ministerial Conference (PMC) will follow the ARF annual meeting July 24 and 25 so the foreign ministers can discuss international political issues involving the Middle East, Bosnia and disarmament and such economic issues as the Mekong River development project and other regional development projects and the World Trade Organization (WTO).

The ASEAN PMC will also deal with ways to increase trade and investment among member countries, acceptance of new members to the ARF, ways to build confidence among member countries, disarmament and nuclear nonproliferation.

Among the 21 members of the ARF are seven members of the Association of the Southeast Asian Nations (ASEAN), 10 dialogue partners for the ASEAN and Laos, Cambodia, Myanmar [Burma] and Papua New Guinea. The dialogue partners are South Korea, the United States, Japan, Canada, Australia, New Zealand, India, China, EU and Russia.

South Korea is organizing a three-way meeting of foreign ministers on the sidelines of the annual ARF meeting between Foreign Minister Kong, U.S. Secretary of State Warren Christopher and Japanese Foreign Minister Yukihiko Ikeda, an official said.

Seoul hopes that the three-way meeting will address a variety of security issues in Northeast Asia with the emphasis on the North Korean nuclear issue and the North's food shortage, both of which have long been destabilizing factors in Northeast Asia, the official said.

ROK: Qualifications of Foreign Doctors Questioned

SK1507005396 Seoul THE KOREA TIMES in English 15 Jul 96 p 3

[Report by staff reporter Sin Hak-nim]

[FBIS Transcribed Text] What are the qualifications for foreign doctors to work here?

This question was raised recently by the director of the international clinic of Severance Hospital in Seoul.

In a letter sent to the Health-Welfare Ministry, John A. Linton, who has a Korean medical license (MD), asked if it is lawful for his clinic to employ foreign medical doctors.

The request for the "authoritative" interpretation over the relevant law and regulations comes at a time when the nation's leading general hospitals are moving to invite an increasing number of American doctors as part of their exchange programs with U.S. medical institutions.

Linton expressed the hope that the international clinic will hire foreign medical doctors to provide better service for foreigners in Korea if it is not against the law.

An increasing number of foreigners including wives of diplomats assigned here, who are doctors in their countries, have been asking for part-time Jobs at Severance Hospital, according to Linton, who specializes in home medicine after graduating from Yonsei University's College of Medicine.

Linton is the nation's only foreign medical doctor who obtained the Korean MD license.

In a roundabout way, he also asked the health authorities to determine whether the medical service now undertaken by a foreign doctor at a Seoul hospital is in violation of the law.

He was apparently referring to a medical doctor from the Johns Hopkins University Hospital who has been working for the past year and a half at the international health services clinic at the Samsung Medical Center under an cooperation agreement between the two hospitals.

Linton recalled that a French medical doctor had to stop practicing after being fined for providing medical service here in 1990.

How the Health-Welfare Ministry will respond to Linton's question is attracting the attention of the medical circle.

Foreign doctors, who stay in Korea for a certain period of time, can be authorized to practice here, according to Article 25 of the Medical Law.

The supplementary decree for the Medical Law also legalizes medical service by foreign doctors who are invited here under an agreement concerning cooperation in "research and teaching" and as part of international volunteer service programs.

A spokesman for the Samsung Medical Center said that it found no legal problem with the medical activities by the American doctor from Johns Hopkins University Hospital because he is engaged in research activities at the international clinic of the hospital and trains resident doctors under the cooperation accord between the two medical institutions.

ROK: Kim Yong-sam Stresses 'Stability' in State Administration

SK1007103396 Seoul TONG-A ILBO in Korean 8 Jul 96 p 2

[Article by Kim Yong-chol: "Significance of President Kim Yong-sam's Steps To Cure 'Policy Confusion'"]

[FBIS Translated Text] Apparently, President Kim Yong-sam intends to put more emphasis on "stability" rather than "reform" in pursuing his future policies.

While presiding over a meeting with his senior secretaries on 6 July, President Kim emphasized the balance between "idealism" and "reality." However, the president put more weight on "reality" than on "idealism."

President Kim said in the meeting: "State administration cannot be carried out only with idealism. We should see to it that we do not lean toward idealism in mapping out policies." Thereby, he stressed "the balance between idealism and reality."

It seems that President Kim emphasized the importance of "reality" due to several reasons. One of them is that the government tends to wind up all projects it already initiated rather than to start new projects. Regarding this, a high-ranking Chongwadae [presidential offices] official said "successfully fulfilling reform-minded policies that have been pushed ahead and concentrating on inflation, environment, and safety measures, are the immediate tasks of Chongwadae and the cabinet," adding that "it is more important to correctly carry out the policies that have been initiated rather than to start a new project."

The immediate reason behind the president's decision is the recent confusion that has become conspicuous in carrying out major policies.

The policy confusion is particularly conspicuous in some key government policy measures, such as "the 21st century city construction plan." This idea was originally invented by a group of reform-minded figures in Chongwadae. However, the plan fell through because reality-minded presidential secretaries put a brake on it. This is one of the few examples. This is a kind of friction between the two groups over the basic policy line.

"The 21st century city construction plan" was first initiated by Yi Kak-pom, senior presidential secretary for policy planning but was scrapped because it failed to win support from other senior presidential secretaries. The plan was eventually discarded as Ku Pon-yong, senior presidential secretary for economic affairs, raised a question about the plan and reported to President Kim on the adverse effects that may arise from the implementation of the plan.

A plan to reform the judicial administration was pushed ahead by Pak Se-il, senior presidential secretary for social and welfare affairs (then senior presidential secretary for policy planning). However, it turned out a failure due to strong oppositions from legal circles and the vested interests.

The same goes for reform of labor policies. A group of presidential secretaries took a progressive attitude in dealing with labor policies, but they were faced with strong reverberations from business conglomerates. Against this backdrop, political and business circles have backbited these two senior presidential secretaries in connection with these reform-oriented plans.

Since President Kim took office, he has regarded reform as the symbolic representation of his government. At the same time, he has thrown his support behind these reform-minded secretaries. It is a clear proof that both Senior Presidential Secretaries Yi and Pak have tried to vigorously push ahead with those reform-minded policies.

At present, however, President Kim has drawn a distinctive line between these two policy lines. The president has successfully coordinated different views on renovation of the judicial administration to reach a compromise. He recently made the 21st city building master plan nothing more than a scrap of paper. He even ordered in the 6 July meeting with his senior aides that "You should take into account without fail the real conditions in the formulation and implementation of various policy measures when mapping out policies."

He then ordered these top-level presidential assistants "not to undergo a change in the keynote of state administration" but "to have adequate consultations in advance." Nevertheless, government officials concerned have interpreted these presidential orders as underlying "an alteration occurring in the keynote of government policy."

ROK: Prime Minister, Others Answer Questions at Assembly Session

SK1507124296 Seoul YONHAP in English 1215 GMT 15 Jul 96

[FBIS Transcribed Text] Seoul, July 15 (YONHAP) — Prime Minister Yi Su-song said Monday the government would launch a large- scale assistance program to North Korea on the basis of national consensus if the North's communist regime accepts the proposed four- way meeting of North and South Korea, the United States and Japan for establishing a permanent peace regime on the Korean peninsula.

Responding to 11 lawmakers' questions at a National Assembly interpellation session, Yi added should the suspended government- level talks with the North be resumed, the government would increase inter-Korean economic cooperation.

On the opposition-proposed suprapartisan coalition cabinet, the prime minister remarked that such a coalition cabinet might run counter to the principles of responsible politics and party politics.

He stressed that since the president has made clear his position against any constitutional revisions during his tenure, the government is not considering revising the constitution for shift to a cabinet system of government.

Responding to questions about the local autonomy system, the prime minister said the government would transfer more powers to appoint civil servants to local governments and increase their financial autonomy.

National Unification Minister Kwon O-ki said the government would endeavor to help North Korea reform in a stable manner, noting that the North has established a crisis management system under the military leadership.

Justice Minister An U-man disclosed that 122 candidates who ran in the April general elections have been investigated on suspicion of election law violations, including 74 of the ruling New Korea Party (NKP), 22 of the main opposition National Congress for New Politics (NCNP), 19 of the minor opposition United Liberal Democrats (ULD), four of the Democratic Party and three Independents.

Rep. Han Hwa-kap of the NCNP two other opposition lawmakers lashed out at the NKP for its move to exclude political parties from local elections, while calling for political neutrality of the prosecution and police. [sentence as received]

Reps. Kim Min-sok of the NCNP and Han Yong-su of the ULD criticized the government for personnel policy in favor of those hailing from Pusan and South Kyongsang Province.

Rep. Yi Sin-pom of the NKP called for generational shift in politics for new politics, demanding that the two opposition leaders, Kim Tae-chung and Kim Chong-pil, retire from politics.

ROK Daily: 'Inferior Business Climate' Causing Economic Crisis

SK1407143996 Seoul MAEIL KYONGJE SINMUN in Korean 9 Jul 96 p 3

[Editorial: "A Country Difficult To Do Business in"]

[FBIS Translated Text] Disputes over our country's prevailing economic crisis are now focused on macroeconomic trends. Trade deficits for this year are projected to reach 11 to 12 billion dollars, nearly double original estimates, and inflation is highly likely to exceed the government's target of 4.5 percent by the end of this year. This arouses great concern. In addition, though government and business circles have different views, the annual economic growth rate is expected to remain at a level far below the original estimate of 7.4 percent. Considering these facts, the feeling of crisis that "we might be losing in all three areas at once" — the trade balance, price stability, and economic growth — is becoming widespread.

Whether one views the present situation as a crisis depends on one's perception of the seriousness of the situation. However, we dare insist that the essential qualities of the prevailing crisis do not lie in the facts noted above. We believe that the true nature of the crisis is hidden in the belief that the ROK is "a country that has poor conditions for operating a business" and "a country which has lost its attractiveness as a foreign investment market," rather than the shaky trends of the three macroeconomic indicators. Recently, there has been a rush of manufacturing industries leaving the country and foreign businesses avoiding investment in the ROK. The true nature of the crisis lies in these phenomena and the possible economic vacuum in domestic industries resulting therefrom.

Of course, domestic businesses' overseas advance cannot be attributed solely to the inferior business climate in the country. We would rather take it as part of their globalization strategies and consider it a positive phenomenon. Also, we have no intention of overlooking the fact that overseas investment is used as a means of transferring advanced technologies to our country. It is obvious, however, that there are many domestic businesses "escaping" from the country because of difficulties in doing business here, and foreign enterprises are reluctant to set up business in our country.

Accordingly, we believe discussions on ways to overcome the current economic crisis should be oriented to ways to make our country "a country with good business conditions." The government has recently decided to adopt "one-stop service" that enables foreign investors to go through all paperwork at one place for purchasing land, selecting industrial sites, as well as obtaining the government's approval for business construction plans and construction permits. This is greatly welcomed, if somewhat belated.

In addition to these efforts to ease restrictions, multifaceted endeavors should also be made to break the high-cost, low-efficiency structure of the economy. This is because high wage rates, high interest rates, high land prices, and high distribution costs are considered basic factors causing domestic businesses to escape overseas and causing foreign enterprises to avoid investing in the ROK.

Particularly in connection with wage problems, so-called "social dumping" is practiced rampantly even in advanced countries. That is, it is common to induce foreign companies, which are doing business in other countries, to operate in one's own country on the condition of lower wages. This is a warning to various economic entities in our country.

A crisis, whatever kind it may be, requires all-out effort to be overcome. In order to improve our inferior business climate, the government should literally make a reformed approach in easing administrative regulations and moderating the high-cost structure. Businesses and workers should also make every possible and appropriate effort as economic entities.

Burma

Burma: Aung San Suu Kyi Rejects Idea of Going Into Exile

LD1307104696 London FINANCIAL TIMES in English 13 July 96 p3

[Article by Ted Bardacke entitled "Suu Kyi Turns Down Offer of Exile, subtitled "Burmese Opposition Leader Tells Ted Bardacke of a Determination to Reach Goals"]

[FBIS Transcribed Text] Foreign investors have begun leaving Burma, but Ms Aung San Suu Kyi, speaking from the residence where she spent six years under house arrest, is adamant that she is staying. "I'm not going anywhere, except towards my goals."

The country's military regime would like the opposition leader to take a cue from two of the world's largest brewers, Heineken of the Netherlands and Carlsberg of Denmark, which decided this week to withdraw from the country. If she did agree to be exiled, the military says, talks on a political reforms would begin.

"The door is always open," says Ms Suu Kyi. However, she insists that dialogue between her National League for Democracy (NLD) and Burma's military regime be "substantive" and conducted on "the basis of equality."

Her "goal", transition to democracy and civilian rule in Burma, appears as elusive as ever. The basic problem is that the State Law and Order Restoration Council, or Slorc, as the military regime which took power in 1988 is known, shows no sign of wanting to talk with Ms Suu Kyi or the NLD.

Ms Suu Kyi says that does not have to be so. She says there are no preconditions for dialogue with the military. A fresh parliament, possible transitional government, the future role of the military, even her own personal participation in any negotiations, are all on the table.

"The question about parliament is certainly part of any dialogue, but I think we want to discuss more basic matters."

Ms Suu Kyi can claim a victory this week in the decisions by Carlsberg and Heineken. She has encouraged an international boycott of investment and tourism, and her lead has been followed by campaigners in Europe and the US who have applied pressure on multinationals.

But the possibility of a political victory at home remains remote, according to a leading Burmese political analyst familiar with the Slorc.

"The two basic things Suu Kyi wants, the acceptance of the NLD's 1990 election victory as a symbol of legitimacy, and a parliament where the military does not have veto power, are the two things that the military will not accept. The future is very gloomy," the analyst said.

Instead the regime has used the increasing international pressure on the regime to denounce the democracy movement as a tool of "foreign interests", and drafted its own version of a new constitition that guarantees the military a "leading" role in national politics.

With foreign investors having second thoughts, the value of the local currency falling by one-third in the past two months and diplomatic pressure increasing, any criticism is taken as a challenge.

The regime holds daily ceremonies, backed by crowds of students and government employees forced to attend, where huge billboards are unveiled. "Oppose those relying on external elements, acting as stooges, holding negative views...oppose foreign nations interfering in internal affairs of the state. Crush all internal and external destructive elements as the common enemy," the billboards read.

"The military will settle with anybody but on their terms and their terms only. They find it hard to deal on a substantive level," says one diplomat. "These are people from a different era who lived in isolation for decades. Even in private conversations with people they need things from, friendly suggestions make them uncomfortable."

Burma: 'Threatened' Representatives Meet, Discuss 'Mass Arrest'

BK1307155796 Oslo Democratic Voice of Burma in Burmese 1430 GMT 13 Jul 96

[FBIS Translated Text] More than 200 elected representatives to the People's Assembly were detained during a mass arrest that occurred prior to a special meeting that was supposed to be attended by elected representatives and party members. The meeting was held on the sixth anniversary of the NLD's [National League for Democracy] election victory. More than 100 elected representatives were later released, but they were threatened in various ways by the State Law and Order Restoration Council [SLORC] with a view to getting them to submit their resignations to withdraw as elected representatives, and 16 of them have thus far resigned.

It has been learned that the elected representatives held a meeting on 9 July at Daw Aung San Suu Kyi's compound to discuss this matter. They realize that they are facing the worst of situations and must watch the SLORC's future moves carefully. They also held discussions on resisting SLORC pressure and not resigning as elected representatives.

After the meeting, the NLD issued a statement urging the elected representatives not to resign and to carry out their democratic duties as long as possible.

One of the elected representatives attending the meeting said that these representatives are in a tough situation but the SLORC is in a worse one. What is the SLORC going to do next? It is not going to face the foreigners but it will have to face the people inside the country. If it continues to maintain this kind of tough stance and continues to [word indistinct] the SLORC will have to confront the population. We will continue to work so that people can rely on us. This report is from Shwe Baho Si Center.

Burma: SLORC Warns Journalists Working for Foreign Media

BK1407093896 Bangkok THE SUNDAY POST in English 14 Jul 96 p 1

[Unattributed report]

[FBIS Transcribed Text] Burmese journalists working for the foreign media have been given a warning by the military junta.

Apparently angered by negative reports filed from Rangoon by local reporters, Burmese Information Minister Aye Kyaw has urged them to be "unbiased" about the achievements of the junta and to serve the national interest.

Maj-Gen Aye Kyaw lectured them at his first meeting with members of the Foreign Correspondents Club on Thursday in Rangoon since taking office in June last year.

But one member of the local press interpreted it as a warning to Burmese journalists working for foreign media and news agencies that the ruling State Law and Order Restoration Council [SLORC] was not satisfied with their stories.

Except for a Chinese reporter of the official Xinhua news agency, who is the only foreign correspondent in Burma, other members of the club are Burmese citizens.

"Foreign correspondents should have a clear and unbiased outlook on the State Law and Order Restoration Council's accomplishments and be patriotic," the NEW LIGHT OF MYANMAR quoted him as telling the press corps.

The SLORC is striving for peace, modernisation and development in Burma, he added.

Despite reaffirming that they could file stories freely, Maj-Gen Aye Kyaw told the Burmese correspondents that they must "love their country."

The minister said some Burmese correspondents were "biased", but said he would facilitate their work by releasing press releases and finding a spokesman for news.

In an effort to impress the press corps, the Burmese Chamber of Commerce will hold a seminar on investment opportunities in Burma on Tuesday which is exclusively organised for foreign and local reporters.

Businessmen in the Burmese capital interpreted the seminar as an attempt by SLORC to publicise the positive side of the country, which is under increasing pressure from Western countries on investments.

Pepsi-Cola, Carlsberg and Heineken are among the multinational companies which decided to pull out of Burma.

Burma has been facing a crisis of image since the SLORC brought in some 260 members and supporters of the opposition National League for Democracy [NLD] for "questioning" in May.

The incident was followed by an unclear explanation of the death in custody of Leo Nichols, who served as honorary consul for Norway, Finland, Denmark and Switzerland in Burma.

The consul, a close associate of NLD leader Aung San Suu Kyi, had health problems when he was arrested in April and sentenced to three years in prison for illegal possession of fax machines and telephones.

Burma: Aung San Suu Kyi Says Nation Must Respect Its Martyrs

BK1407145396 Hong Kong AFP in English 1414 GMT 14 Jul 96

[FBIS Transcribed Text] Rangoon, July 14 (AFP) — Burma's opposition leader Aung San Suu Kyi said Sunday Burma should respect its martyrs ahead of the annual commemoration of national heroes.

"Martyrs are created when political issues are settled by means of arms," she said, speaking to a crowd of 5,000 supporters at the regular weekend meeting outside her house here.

Martyrs deserved the people's respect and reverence because they had the moral and physical courage to stand for what the people believed in, she said.

The upcoming martyr's day on July 19 commemorates the day when General Aung San, Aung San Suu Kyi's father, and most of his cabinet were gunned down by assassins 49 years ago.

"Nations which respect their martyrs, even ordinary soldiers who gave up their lives for the country, are usually rich and advanced," she said, citing Britain and Japan as examples.

Tin Oo, the vice chairman of Aung San Suu Kyi's opposition National League for Democracy (NLD) said Sunday that authorities had issued directives to local government officials that no organization other than the state may hold commemorative or religious ceremonies on martyr's day.

"I pray that the way to freedom as laid down by Aung San can be regained ... because without political and social justice ... freedom has no meaning," he said.

Brunei, Malaysia & Singapore

Malaysia

Malaysia: Analyst Previews WTO Ministerial Meeting

BK1507075096 Kuala Lumpur THE STAR in English 15 Jul 96

["Focus: Earth Trends" by Martin Khor—"WTO Must Avoid Overcrowding Agenda" — received via Internet]

[FBIS Transcribed Text] This December, a crucial international economics meeting will be held in Singapore that will have great implications for the development policies and economic prospects of all countries.

Yet that meeting — the first Ministerial Conference of the World Trade Organisation (WTO) — is little known to the public. Not yet, at least.

This is a pity because the WTO is emerging as the most powerful economic agency in the world. Many areas of policy-making which traditionally have come under the control of national governments are increasingly being transferred to the WTO.

The WTO no longer makes rules only for international trade. More and more, it is also taking decisions on issues that affect the domestic policies and laws (economic, development, social, and cultural) of each member country.

Member states — like Malaysia — have to change a wide range of their domestic laws and policies in order to conform to the WTO's agreements.

Because of the power of the WTO as a legally-binding trade agreement, the developed countries have chosen it as the major vehicle through which they hope to implement and further their "governance" of the world economy.

Once an agreement or rule is passed at the WTO, developing countries have to follow it, or face the threat of trade sanctions. Thus, what is agreed to has to be enforced. In this strong enforcement capability lies the power of the WTO, compared with other agencies, and this is why the strong countries would like more and more issues to be placed under its jurisdiction.

It is an effective device not only for further domination of the global trade and economic system but also for dictating the national economic, social, and political policies of the developing countries.

This is why the Singapore Conference will be so important. The powerful countries are trying to get the trade ministers to accept new issues (such as investment policies, labour standards, competition policy, even corruption) as coming under the jurisdiction of the WTO.

They intend that eventually there will be negotiations for new WTO agreements on these issues.

Developing countries, on the other hand, are concerned that introducing these new issues which have no direct linkage to trade anyway would further erode their sovereignty and limit their ability to make national policies and construct development programmes of their own choice.

How these conflicting perspectives are going to be sorted out, before and at the Singapore meeting, will have a bearing on the future of our economies.

The business sector in Malaysia should, in particular, pay great attention to these developments because there will be great implications for the competitiveness and the very survival of local firms and farms.

Intense debates and negotiations are now taking place in the preparation of the agenda for the Singapore Conference.

Behind the public screen, trade and economic officials of many countries have been engaged in a flurry of activities and discussions in attempts to protect or advance their countries' interests.

Most of these preparatory debates are taking place behind closed doors in Geneva, where the WTO is headquartered.

In the capitals of the rich Northern nations, officials are especially busy in preparing the ground for what they hope will be the introduction of yet more "new issues" to place onto the agenda of the WTO.

In the seven-year Uruguay Round talks that ended in 1994, they had succeeded in pushing in agriculture, services, intellectual property rights and investment measures, as new issues into the GATT (General Agreement on Tariffs and Trade), which now has become transformed into the more powerful WTO.

Hardly has the dust settled on that Uruguay Round, and even before developing countries can start dealing seriously with the problems of adapting their domestic economic policies to the new WTO rules, the North is now pushing for more issues to enter the already overcrowded WTO agenda.

As part of their lobbying, several Northern governments have organised meetings to discuss the Singapore Conference agenda. These meetings have taken place in Stockholm, Canada, Australia, and Switzerland in recent months.

Last week, in Kuala Lumpur, many developing countries for the first time got together in a Southern country to do their own preparations. And the result was very encouraging. They made a start in being committed to defending their national and collective interests, and in getting some common (though not unanimous) positions on some important issues.

Organised by the Institute of Strategic and International Studies (ISIS), the conference on The WTO: Perspectives from the South was attended by about 70 trade policymakers, WTO diplomats, academics and businessman from several developing countries — including Malaysia, Brazil, Bangladesh, India, Singapore, Thailand, China, Korea [not further specified], Egypt, Zimbabwe, South Africa, and Ghana.

The main conclusion of the meeting was that the attempt by some Northern countries to put new issues into the WTO poses a danger to the sovereignty and economic interests of the South, and this should be resisted in a united way in the preparations for the Singapore Ministerial Conference.

The conference theme was set by a keynote address by Minister of International Trade and Industry, Datuk Seri Rafidah Aziz, who described as "discomforting" the move by some developed countries to broaden the WTO's work programme to include "new issues" such as multilateral investment rules, labour standards, competition policy and corruption.

"These are highly contentious issues and they constitute the single greatest challenge to the sovereignty and economic prosperity of the developing countries in the future," said Rafidah.

She noted that developed countries had proposed that the WTO initiate discussions and subsequently negotiations on liberalisation and protection of cross-border investments and rules harmonising national competition policies.

"These moves are of grave concern to developing countries as they could eventually restrict national governments in their domestic economic policy making.

"In particular, the demand that there should be free movement of investment across national borders and for national treatment that any investor will have the right to establish a market presence in any sector in any country and be accorded national treatment. [punctuation as published]

"This will remove the right of national governments to implement national-level investment policies which may either restrict a foreign presence in certain sectors or which may provide preferential treatment to national firms to enable them to compete with large established foreign firms."

Rafidah added that some developed countries are also keen to get the WTO to forge a direct link between trade and labour rights, claiming that developing countries' imports were cheap not because of a comparative advantage in production cost but because of unacceptably low-labour standards.

"This is not only politically unacceptable to developing countries but also does not make sound economic sense."

Rafidah said developing countries were apprehensive that these contentious issues would be formally placed on the WTO agenda.

"These issues will have far-reaching repercussions on our development efforts and objectives. Developing countries must stand together and adopt a united approach to counter these proposals."

Rafidah said the WTO should avoid over crowding its agenda with issues that will inhibit the South's development and trade prospects.

"We must strive for a united approach, for if we are divided we will continue to be dominated by the industrialised countries."

The minister proposed that the Singapore meeting:

— Focus on a review and stock-taking on the implementation of the Uruguay Round commitments;

— Focus on the completion of unfinished business and the built- in agenda;

Disagree with proposals to include "new issues" on the Singapore agenda. [punctuation as published]

In the following two days' discussions, many participants supported this three-point proposal.

Zimbabwe's Ambassador to the WTO, Dr Tichaona Jokonya, described Rafidah's address as a "wonderful send-off".

In implementing the Uruguay Round commitments, he said, smaller economies are facing a host of problems, therefore he supported her point that "the WTO should avoid overcrowding its agenda".

He added the Singapore meeting should not be a meeting for a club of the rich. Small countries are facing "incredible problems" in implementation of the Uruguay Round.

The Singapore meeting should focus on "how far we have gone" after the Uruguay Round. "We haven't really started the implementation yet. How can we talk about the new issues?"

Bangladesh's Commerce Secretary, Mofazzal Karim, agreed with Rafidah's keynote address and proposed that its points be adopted by participants.

He said the Singapore Ministerial Conference should examine how the implementation of the Uruguay Round would affect different countries differently. While the industrial countries were fully equipped to meet their obligations, many developing countries do not have the machinery.

From the agreements, it was not clear whether poor countries benefited from the Uruguay Round at all. If they do not benefit, they should be compensated. Therefore, a stock-taking exercise should be done. It is not the time for work on any new issues.

Cambodia

Cambodia: Ranariddh on Establishing Diplomatic Ties With ROK

OW1207114596 Tokyo KYODO in English 0916 GMT 12 Jul 96

[FBIS Transcribed Text] Tokyo, July 12 KYODO — Cambodian First Prime Minister Prince Norodom Ranariddh said Friday his country will follow through on an agreement signed in May with South Korea to establish offices for diplomatic representatives in each other's capitals.

"We cannot ignore South Korea," Prince Ranariddh said in an interview with KYODO news, noting Seoul's active role in Asian issues.

However, the exchange of representatives would not constitute full diplomatic recognition, he said, but would be "a compromise (at a lower level than) a full diplomatic mission with an ambassador and embassy," said the prince, son of Cambodian King Sihanouk.

The First Prime Minister said the "special relations" Cambodia has with Pyongyang will continue and he urged the international community to send aid to North Korea to prevent its further isolation.

"Even my father, who is a very long-time friend of North Korea, has not been able to go (there)," the Premier said, referring to the fact that King Sihanouk has been unable to visit the north since the death of president Kim Il-song two years ago.

Concerning the health of his father, Prince Ranariddh said, "according to the latest medical tests and the results of checkups, his health is quite good," adding that there is no trace of the cancer from which King Sihanouk had previously suffered.

Prince Ranariddh was in Japan for a two-day international conference in Tokyo that brought together delegates from 16 countries and five international institutions to discuss aid to Cambodia. The conference ended Friday.

Cambodia: Corrected Version of "Prime Minister Ponders Radio-TV Request"

BK1207141596 Phnom Penh ARIYEAKTHOR in Cambodian 6-7 Jul 96 pp 1, 4

[Corrected version of report on message to Ranariddh, published in the 12 July EAST ASIA DAILY REPORT on p 76, changing name of party deputy leader in first paragraph; report by "Marina"]

[FBIS Summary] In a 450-word report, the correspondent cites a 17 June message to First Prime Minister Norodom Ranariddh from Son Soubert, second vice chairman of the National Assembly and "party deputy leader of Grandfather Son Sann." In that message, Son Soubert asks for permission "to operate a 600-KW radio and a 9-KW television station and a film and sound recording studio named Voice of Peace" [Samleng Santepheap].

The correspondent notes that Ranariddh "has not yet agreed to this request but has already sent his comments to [second prime minister] Samdech Hun Sen." The report adds that "as yet, there has been no information on Samdech Hun Sen's reply to this." Citing the view of political circles, the reporter says that "the radio and television station requested by Son Soubert will certainly serve a political party and therefore should not be allowed. However, if someone else made the request, it could be ..." [ellipsis as printed]

The report quotes unofficial sources as saying that "the Son Soubert group has bought a plot of land to the south of Kien Svay [in Kandal Province] to set up the radio and television stations" and adds that "these sources seem to be saying that the radio and television broadcasts are aimed at Cambodians in Kampuchea Kraom [former Cambodian territory now part of southern Vietnam]."

Lastly, the correspondent wonders from which circle Son Soubert received the support to enable him to set up the radio and television station, adding that "if it belongs to Grandfather Son Sann, that is good; however, there is a concern that it may belong to the Free Vietnam Alliance."

Cambodia: Official 'Not Pleased' With Planned FUNCINPEC Congress

BK1407120696 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 14 Jul 96 p 12

[Report by Rithipol]

[FBIS Summary] In this 360-word item the reporter says that "Yu Hokkri, co-minister of interior and national security and member of the executive committee of FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] was not pleased with a public announcement that a large number of FUNCINPEC members inside and outside the country have decided to hold an extraordinary congress in Paris (France) on 21 July to elect a new chairman, Prince Norodom Sirivut, to replace the current FUNCINPEC chairman, Prince Krompreah Norodom Ranariddh."

According to the report, Yu Hokkri also said on 11 July that "if these people are really democrats they should hold their extraordinary congress in Phnom Penh rather than abroad."

Indonesia

Indonesia: Democratic Party Supporters Hold Demonstration

LD1507105996 Melbourne Radio Australia in English 0800 GMT 15 Jul 96

[FBIS Transcribed Text] About 1,000 supporters of the ousted leader of the opposition Indonesian Democratic Party, or PDI, have held a demonstration in Jakarta. Supporters of Megawati Sukaroputri were protesting against recognition by the national election institute of Surjadi, the man chosen as the new PDI leader at a rebel congress last month.

A spokesman for the demonstrators said the institute should not have given registration papers for next year's election to Surjadi because Miss Megawati was still the PDI leader.

Soldiers and riot police stood by as today's demonstration took place outside the institute, but there was no violence.

Indonesia: Suharto Returns Home After Medical Tests

AU1207114696 Paris AFP in English 1131 GMT 12 Jul 96

[FBIS Transcribed Text] Hanover, Germany, July 12 (AFP) — President Suharto of Indonesia headed home Friday after undergoing three days of tests at a German heart clinic and receiving a clean bill of health.

The 75-year-old leader left a day earlier than originally planned, with doctors at the clinic in the northwestern town of Bad Oeynhausen saying he was in "very satisfactory" condition.

Officials at nearby Hanover airport said he left for home at 11:00 am (0900 GMT.)

Suharto underwent heart and kidney tests. The clinic's chief surgeon, Reiner Koerfer, said Monday that the president was "in better health than many people think."

Suharto, in power for nearly 30 years, left Indonesia on Sunday for Germany amid fears over his condition and mounting speculation about a possible power vacuum in the world's fourth most populous country. The jitters sent the Indonesian rupiah plunging against the dollar.

On Thursday, the currency rallied to 2,332.50 to the dollar, a week after it plunged to 2,340 following rumors of health problems, including a leaking heart valve, diabetes and kidney stones.

Suharto met with Chancellor Helmut Kohl at Bad Oeynhausen on Thursday.

The president was accompanied by an entourage of some 40 people including some of his daughters and the minister of research and technology, Bacharudin Habibie, who underwent a heart operation at the same clinic in 1991.

Suharto was expected to arrive in Jakarta on Saturday morning.

Indonesia: Suharto Greeted Upon Arrival Home

BK1307085996 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 13 Jul 96

[FBIS Translated Text] President Suharto returned to Jakarta this morning after going through a medical checkup in Germany. He left for Germany last Sunday (7 July).

Upon disembarking from the Garuda Indonesia MD-11 special aircraft, President Suharto, in the company of Minister and State Secretary Murdiono and Armed Forces Commander General Feisal Tanjung, shook hands with the chief pilot and the aircraft's crew members.

He also shook hands with General Hartono, Army Chief of Staff; Subiakto, minister of cooperatives and promotion of small businesses; and Major General Sugioto, commander of the metropolitan Jakarta military area, who were among those gathered at the Halim Perdanakusuma Airport to welcome him home.

Indonesia: Suharto Returns to Work After Medical Checkup in Germany

BK1507074896 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 15 Jul 96

[FBIS Translated Text] President Suharto today returned to attend to his state duties after completing a week-long medical checkup in Germany. The head of state held talks with Minister-State Secretary Murdiono and Foreign Minister Ali Alatas at the Cendana Road presidential residence in Jakarta. The two ministers were asked to brief the president on the latest situation in the country, on what transpired during the president's absence. Our correspondent Wasiman reports:

[Begin recording] [Wasiman] After a satisfactory checkup in Germany, President Suharto began his routine duties at the Cendana Road residence today. About three hours ago, the head of state met with Foreign Minister Ali Alatas and Minister-State Secretary Murdiono, who reported on the situation in Indonesia during the president's medical checkup in Germany. Speaking to reporters after the meeting, Murdiono said the president has decided to attend the opening of the Agriculture, Cooperatives, and Family Planning Week in Lombok, West Nusatenggara, tomorrow. [Murdiono recording indistinct]

[Wasiman] Meanwhile, accompanied by roving Ambassador Nana Sutresna, Foreign Minister Ali Alatas briefed the president on preparations to hold the ASEAN Ministerial Meeting in Jakarta 21-25 July.

[Alatas] The coming ASEAN meeting will be different from the previous ones, especially with the increased number of observers and dialogue partners. This will expand the ASEAN Ministerial Meeting and the ASEAN Post-Ministerial Conference. As you know, our senior officials have granted observer status to Myanmar [Burma], so we will [words indistinct]: namely, Cambodia, Laos, Papua New Guinea, and Myanmar.

[Wasiman] President Suharto is scheduled to open the ASEAN Ministerial Meeting at Jakarta's State Palace but the ministerial sessions will be held at the Jakarta Senayan Hall. The head of state will also receive a courtesy call from the ASEAN ministers, as well as ministers from countries with observer status. [end recording]

Indonesia: Editorial Views Implications of Suharto's Health

BK1507095696 Jakarta THE JAKARTA POST in English 15 Jul 96 p 4

[Editorial: "A Clean Bill of Health"]

[FBIS Transcribed Text] The return of a beaming President Suharto from a checkup in Germany last Saturday is not only good news for the country and the nation, but most importantly it has ended the rampant speculations of the president's physical condition. Now it is clear that President Suharto is in excellent health for a man of his age.

Although President Suharto's heart is somewhat enlarged, it is heartening to hear there are no blocked arteries. Although he has a stone in his left kidney, as Doctor Ari Haryanto last weekend said, the president's kidneys are still very healthy for someone his age. Now President Suharto has only to reduce his cholesterol level and slim down.

All in all, it is good to hear that President Suharto will be able to resume active work soon. Because, for weeks before his surprise trip to Germany, rumors about Suharto's health flew far and wide, causing concern and anxiety among the public.

Some people went even as far as to liken the situation with 1965, when rumors about president Sukarno's ailing health rocked the country to the extent that it prompted the now banned Indonesian Communist Party to take the preemptive measure of launching a coup to take power. The coup attempt failed and eventually President Sukarno's rule collapsed, but it opened up a new chapter in Indonesian history with the emergence of a New Order administration under President Suharto.

The clean bill of health given by a very competent medical team to President Suharto has not only stopped all these rumors but has also normalized the rupiah and Jakarta Stock Exchange.

Yet, the brief case of jitters among the business community caused by the news about Suharto's health has reminded us that nowadays our economy is so closely linked to the global economic system that any occurrence which may affect the country's future could have a dire impact on the domestic and international market.

Last week's short-lived tension also exposed a very important issue which in the past tended to be deliberately ignored due to its sensitivity: the problem of succession. Of course, constitutionally we do have some sort of succession mechanism in case the president is incapacitated. But real politics have shown us that the problem is not that simple, and in fact is much more complicated.

As he has repeatedly said, out of respect for the Constitution, President Suharto has made no practical provision for his succession except by reiterating that it is up to the People's Consultative Assembly in its session in 1998 to elect a new president. Given Suharto's age and unclear health condition, heightened by Mrs. Tien's demise last April, many people in the past months expressed doubt over his capability to serve another term.

The doctor's statement last week that President Suharto is in excellent health, however, has removed those doubts. Some have even started to believe that one of the motives behind the president's trip to Germany was to declare that he is still in shape to lead the country for another five years.

The real motive of the trip aside, one has to admit that succession should indeed be more openly discussed in the future. Although we are much in doubt that President Suharto, after his trip to Germany, will be more open on this issue, we suggest that the country's elite should give more serious thought to this matter. After all, since we are already an inseparable part of the global system, if it can in any way be prevented, we should make sure that no more jitters hit our economy and disrupt development in the future.

Indonesia: Daily Comments on Suharto's Health, Transition

BK1407132296 Jakarta KOMPAS in Indonesian 13 Jul 96

[Editorial: "The Result of President Suharto's Medical Checkup Brings Relief" — received via Internet]

[FBIS Translated Text] President Suharto is in good health. In fact for a-75 year old person, his health is very good. Thus said the head of the team of doctors at Bad Oeyenhausen Hospital in Germany who President Suharto's checkup. Professor Reiner Koerfer gave a detailed explanation of the president's condition after every checkup.

Speculation and expressions of concern were rife when the news that President Suharto would go for a medical checkup in Germany surfaced. The speculations and worries had also caused a drop in share prices on the Jakarta Stock Market and in the value of the rupiah against the Singapore dollar.

We thank God now that the result of the medical checkup shows President Suharto is healthy. For a 75-year-old person, he is considered to be very healthy. President Suharto's health is very important not only to the members of his immediate family and those related to him but to the entire Indonesian people.

The president's health has been the subject of concern and speculation for some time, due mainly to his considerable age. He has also been reported to have a kidney problem, even though later reports say that he has recovered.

Following the sudden death of Madame Tien Suharto on 28 April, President Suharto's health has been the focus of attention for Indonesian society as well as for people overseas. Mr. Probosutejo [Suharto's half brother] said the first lady's demise caused trauma in Suharto's family. It is the trauma that caused the president to go to Germany for a medical checkup.

God destines our life and death! It is with a trust-in-God attitude that we thank Him for the head of state's good health. The assurance that President Suharto is healthy will greatly affect us as Indonesians. Last week's drop in the price of shares and in the value of the rupiah was one example of the impact on us if the president's health is not good. Our economy has reached a level where economic and political conditions mutually influence one another.

Our political condition is influenced by several factors. The dominant factor influencing it is President Suharto's national leadership. Finance Minister Mari'ie Muhammad has said that the fundamentals of the macroeconomy will also be influenced by this; the basic condition of the macroeconomy is also infuenced by the quality of the leadership.

Actually, this is the new condition in which we exist. Thus, Indonesia's economy has attained such progress that it sounds like a paradox: an economic situation that can no longer be independent.

Economic matters such as investment, capital market, capital for communications facilities and trade, are linked with foreign countries. We must have sound economic conditions to win the confidence of these foreign countries.

A transparent and consistent policy has become a factor in attracting foreign investors. Likewise, consistency and certainty in the implementation of policies and laws, as well as certainty in our direction, are related to peace and security. Now, there is an increasing demand for peace and security that are qualitative. These are no longer limited to the physical aspect alone but have expanded to the sense of being safe. The required security is security supported by participation on the part of the population through their organizations and institutions.

A little note to be added: The news on President Suharto's seeking a medical checkup in Germany was disseminated from overseas. While there was still no official information in Indonesia, the news had spread widely. This goes to show that information and openness are no longer limited to originating only inside the country. Actually, information and openness are global in nature; thus they have a free traffic, unobstructed by geographical and political boundaries.

Like it or not, we, the government and population, should be prepared to face the new conditions.

The suppressed speculations on President Suharto's health have strengthened the certainty concerning the transition period that will eventually occur. Whether we like it or not, we have to go through this. Thus we are certain that when the transition occurs, for the sake of our common welfare, it should be witnessed and blessed by President Suharto's leadership.

In the meantime, he has time and again reiterated the need for negotiations to achieve a consensus as a mechanism of Indonesia's culture and politics.

Indonesia: Navy Chief Commissions Ships Purchased From Germany

BK1507121496 Jakarta REPUBLIKA in Indonesian 15 Jul 96

[Unattributed report — received via Internet]

[FBIS Translated Excerpt] Neustadt — All the warships purchased from the former East German Navy have now been incorporated into the Indonesian Navy. The last two of the 39 warships purchased in 1992 were handed over to Navy Chief of Staff Vice Admiral Arif Kushariadi in Neustadt, about 80 km north of Hamburg, on 12 July. The Navy chief subsequently commissioned the two warships into service.

The two Parchim-class Corvette ships were christened KRI [Republic of Indonesia Ship] Teuku Umar 385 and KRI Silas Papare 386. At the same ceremony held at the Tehnische Marine Schule in Neustadt, the Navy chief also appointed Navy Lieutenant Colonel Arif Rudianto and Lt. Col. Herry Wijaya captains of the ships. Speaking to reporters after the ceremony, the Navy chief said the warships from the former East German Navy will be used to replace old ones belonging to the Indonesian Navy. "Therefore, our naval strength actually remains the same," he said.

He added that the warships purchased from Germany are suitable for security operations in Indonesian territorial waters and will be equipped with the latest technological system. [passage omitted]

Indonesia: Military Official on Recognition for New PDI Board

BK1307131896 Jakarta KOMPAS in Indonesian 13 Jul 96

[Unattributed report — received via Internet]

[FBIS Translated Excerpt] Jakarta (KOMPAS) — Major General Suwarno Adiwijoyo, assistant to the chief of staff of the ABRI [Armed Forces of the Republic of Indonesia] socio-political affairs unit, has reiterated that the recognition given by the government and the ABRI to the Indonesian Democratic Party's (PDI) central executive board (DPP) is based on the law. As far as the government and the ABRI are concerned, the valid PDI DPP is the one elected at the congress in Medan 20-22 June 1996. As for the PDI members who are outside the board, they should show understanding and be willing to consolidate, and should not call for mass demonstrations to protect their interests.

Suwarno said this in response to a participant at the congress of the Nahlatul Ulama youth and women associations held at the Al-Musaddadiyah Religious Boarding School in Garut, West Java, on Friday (12 July). Suwarno had said the same thing to journalists after he delivered a speech before participants of the congress.

On the occasion, Suwarno denied allegations that the ABRI was involved in the process of holding the PDI congress because it wanted the Golkar [Functional Group] to win in the upcoming general election. He said that in the past the government thought the Golkar was too powerful in relation to the nine other parties. Because of this, the parties had been fused into two to create a balance. "It would be illogical for us to split them if they are already proportionally balanced," he said.

Touching on the post-congress problem that has emerged in the PDI, Suwarno said that the PDI DPP that was legally recognized by the government should be responsible for making the consolidation. "The rest should be understanding enough to recognize the DPP as well, and try to achieve a consolidation. They should not resort to support from the masses to gain their wish, which would not be constitutional," he said.

When asked to comment on a statement that the masses from the PDI are giving their support to Megawati Sukarnoputri, Suwarno said that the political party that is being developed in Indonesia is the one with cadres, known by the term: the floating mass. With this structure, the party's source of strength is the branch executive board (DPC), and not the masses. [passage omitted]

Philippines

Philippines: Ramos Cites Indonesian President's Role in Peace Talks

BK1507040896 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 14 Jul 96

[FBIS Translated Text] President Ramos has revealed Indonesian President Suharto's great influence in Mindanao's imminent peace.

In a letter to Suharto, Ramos mentioned the Indonesian leader's major role in supporting the Government of the Republic of the Philippines-Moro National Liberation Front Mixed Committee Meeting from 21 to 23 June.

Philippines: Mindanao Leaders Support Peace Formula With Muslim Rebels

BK1207093796 (Internet) The Journal Group WWW in English 11 Jul 96

[Report by Bernadette Tamayo]

[FBIS Transcribed Excerpt] Key Mindanao leaders back FVR [President Fidel V. Ramos] peace formula.

The resolution, signed by 29 leaders — 17 governors, four congressmen, and six mayors from the Autonomous Region for Muslim Mindanao — was presented to the president after they attended a consultation in Malacanang [presidential palace] with Cabinet members.

The consultation aimed to correct "misconceptions" about the proposed Southern Philippines Council for Peace and Development [SPCPD].

A visibly elated president thanked the leaders for their support and confidence during a press conference.

"I am determined more than all the others. As president, I see this as the solution that will provide the enduring, the honorable, and the sustainable political settlement of all of those century-old conflicts," he said.

The resolution acknowledged that there had been consultations with the leaders of Mindanao and other sectors of society in the course of the negotiations with the Moro National Liberation Front and that the president has called for a continuation of these consultations to properly explain the SPCPD to the people, especially the affected areas in Mindanao.

"We further express full support to the continuing consultations and dialogs being undertaken by government in order to properly explain the SPCPD to the people," the resolution said.

In receiving the statement of support, Ramos said he was glad to see in the gathering the real leadership for peace in Mindanao that would collectively carry on the tasks of political stability, poverty alleviation, and social cohesion.

The chief executive appealed for support from the Mindanao leaders to support the massive information and enlightenment campaign to be conducted by the government in the ensuing weeks.

"This information campaign will be conducted down to the barangay [village] level to infuse the message of peace and development into the grassroots," he said.

He added that Mindanao leaders should view the SPCPD from a historical perspective and refrain from tainting it with petty political quarrels.

The president also cited the high level of popular anticipation of permanent peace and development and described it as irreversible.

"If the peace process is a journey of 400 steps, we are already at the 399th step and we cannot afford to take it back to square one without suffering dire consequences to national development and nation-building," he said.

Mr. Ramos warned that the country cannot afford "to take it back to square one without suffering dire consequences to national government and nation building."

"I am confident that in this particular issue, we can prevail by way of convincing those that are still in opposition as to the merit and wisdom and fairness of this approach called the SPCPD which is a transitory arrangement leading to the final arrangement later on," the president said.

Presidential Management Staff chief Alexander Aguirre said the governors and mayors are supporting the SPCPD "in a way that they are asking questions and they are satisfied with the answers."

"I believe that we are getting support from them," Aguirre said.

The resolution pointed out that the Mindanao leaders realized that the SPCPD is not an autonomous region or a political subdivision and that it will not diminish the powers and functions of local government units in the affected areas, and that no new area of autonomy will be established until after a law is passed and a plebiscite is held for that purpose.

They also said in the resolution that ultimately, the people will decide whether or not they want their provinces and cities to be part of the new area of autonomy.

The resolution stressed that the leaders recognize that the government's intention in the peace process is to settle once and for all the armed conflict in Mindanao so that a durable, lasting, and just peace may be achieved and ultimately usher in progress and development for all Southern Philippines. [passage omitted]

Philippines: Christians in Zamboanga City Reportedly Arming Themselves

BK1207120796 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0930 GMT 12 Jul 96

[FBIS Translated Text] An alarming event has occurred. Christians are reportedly starting to arm themselves in preparation for the Southern Philippines Council for Peace and Development. Here is a full report from Arnold Clavio direct from Zamboanga City. Arnold Clavio, come in:

[Begin recording] [Clavio] The number of Christians who are arming in Zamboanga City continues to rise in preparation for the forced implementation of the proposed Southern Philippines Council for Peace and Development, or SPCPD.

Councillor Jimmy Cabato said even rich businessmen have expressed their support for the formation of a Christian militia. Cabato added that they should not be blamed for the civilians actions; it should be the government that is blamed for its failure to explain properly the peace council to the residents of Zamboanga City.

In this connection, we also talked to Tumaga Village chief Rodolfo Bayot, acknowledged leader of the armed Christians. Bayot explained that it is for their own protection and not a declaration of war to any group.

Cabato and Bayot said there are more or less 1,500 members of the Christian militia. However, Bayot stressed that they will not hand over Zamboanga City to the Muslims easily.

[Bayot, in English] It's the consensus of the people here. Some are even going as far as selling things now, buying Cebu-made, ordinary guns just for protection. We do not know now, we do not know if the government is serious or the other side is serious. We do not understand. [end recording]

Philippines: Ramos: Majority Support SPCPD; Misuari Registers To Vote

BK1107050596 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 10 Jul 96

[FBIS Translated Text] A majority has expressed support for the Southern Philippines Council for Peace and Development [SPCPD].

According to President Ramos, 25 Mindanao officials have signed a resolution expressing support for the council. Malacanang continued dialogues until late last night to convince those who are opposed to the SPCPD. The president called on the people to give way to peace and put an end to the conflict between Christians and Muslims in the past 400 years.

[Begin Ramos recording, in English] Chairman Misuari [Moro National Liberation Front leader] come out in the open, away from the jungle, into our civil society and declare his identity as a qualified voter of the Republic of the Philippines under the constitution and existing laws. Is it not better than him remaining in the jungle as a mysterious, feared, combat-related kind of a personality? [end recording]

In the resolution signed by the officials it has been noted that some of the officials have jurisdiction over areas that are not under the council. The president said that he will allow the throwing of tomatoes as part of protests, but not the inversion of the flag.

[Begin Ramos recording, in English] If you want to protest throw tomatoes, but do not do anything to the flag. Even pineapples, I said, that is [two preceding words in Tagalog] okay, even the pineapples of the metal kind, I am used to receiving and throwing back at those who threw it at me. That is the way I talked to them, ladies and gentlemen, because as far as the flag is concerned, no one must fool around with it. [end recording]

Philippines: MNLF Chief Files Certificate of Candidacy for ARMM Governor

BK1507074196 Manila MANILA BULLETIN in English 15 Jul 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Nur Misuari, chairman of the Moro National Liberation Front (MNLF), filed at 1:30 PM yesterday in Jolo, Sulu, his certificate of candidacy for governor of the Autonomous Region in Muslim Mindanao (ARMM) composed of the provinces of Lanao del Sur, Maguindanao, Sulu, and Tawi-Tawi.

Misuari, head of the MNLF panel which just concluded a peace agreement with the government, filed his candidacy after he was nominated by Speaker Jose de Venecia Jr., secretary general of Lakas-NUCD-UMDP [Power of the Nation-National Union of Christian Democrats-United Muslim Democrats of the Philippines], as the ruling party's official candidate in the Sept. 9 elections in the ARMM for the position of regional governor.

De Venecia, along with Executive Secretary Ruben D. Torres and Presidential Political Adviser Gabriel Claudio, flew to Jolo yesterday to witness and lend moral support to Misuari in filing his certificate of candidacy.

Misuari's certificate was received by Commission on Elections [Comelec] Regional Director for Regions 9 and 12 Manuel Obsequio. The certificate, which contains an oath of allegiance to the Republic of the Philippines and a commitment to support and defend its Constitution, was subscribed and sworn to before lawyer Blo Umpar Adiong, a member of the MNLF legal panel.

The certificate, a copy of which was faxed to Comelec Commissioner Manolo B. Gorospe, in charge of the ARMM, states that Misuari is the official candidate of MNLF-Lakas-NUCD-UMDP.

The candidate's full name is Nurulla Misuari and his nickname is "Nur."

Misuari, 55, stated that he was born on March 3, 1941 in Kabingaan, Tapul, Sulu. He is married to Nadia Elenora "Ruaida" Tan Misuari and his residence is Timbangan, Indanan, Sulu.

He also stated that he is a natural-born Filipino and for election purposes, his address is Sarangbangun Bldg., Jolo, Sulu.

Obsequio reported to Gorospe that Misuari was proclaimed official candidate of MNLF-Lakas-NUCD-UMDP yesterday afternoon at the auditorium of the Mindanao State University in Jolo before some 1,000 students, teachers, and residents by Speaker de Venecia and Secretary Torres.

Misuari's decision to run for the ARMM poll was considered a breakthrough in the negotiation for a lasting and enduring peace in Mindanao. He registered as a voter in the ARMM last Monday along with thousands of his followers.

More MNLF members in the four provinces comprising the ARMM registered last July 11 when the Comelec granted Misuari's request that another day for registration of qualified voters be conducted.

The MNLF chief, who enjoys the support of the Organization of Islamic Conference, said he had decided to participate in the ARMM elections as part of the confidence-building measures in the peace negotiations between the MNLF and the government.

ARMM Gov. Liningding Pangandaman and former senator Santanina Rasul, stalwarts of Lakas-NUCD-UMDP, agreed to withdraw from the ARMM elections in favor of Misuari.

Up to 8 last night, no report had been received from the Comelec regional director in Regions 9 and 11 if any other person or persons had filed to run for governor of the ARMM.

De Venecia and Torres expressed optimism that the leaders of Mindanao will unite behind Misuari's candidacy. Personally, President Ramos said last night he will personally campaign and ensure the victory of MNLF Chairman Nur Misuari in the Sept. 9 ARMM gubernatorial race.

The president added that the victory of Misuari is almost assured as the ruling Lakas-NUCD-UMDP party holds 18 slots in the 20-member regional legislative assembly in Mindanao.

However, he said, if he will personally join the campaign bandwagon for the MNLF leader, this may be "overkilling" it.

The chief executive also said he will be happy to meet with Misuari anytime in Malacanang [presidential palace].

Philippines: Air Chief Admits 'Limited' Air Defense Capabilities

BK1107051796 Manila PHILIPPINE DAILY INQUIRER in English 27 Jun 96 p 5

[Unattributed report]

[FBIS Transcribed Excerpt] Air Force leaders yesterday admitted they have limited capabilities in defending the national territory from foreign intruders because of outmoded radar systems and lack of multi-role fighter jets.

"Our radar system is half blind and the command control is outmoded. But we continue to watch our skies despite our limited capabilities," said Lt. Gen. Arnulfo Acedera, Philippine Air Force [PAF] chief, during a press conference to announce preparations for the 49th anniversary of the PAF tomorrow.

Acedera said the prospects of better equipped and better prepared Air Force is still a dream. He said the PAF modernization program needs P [pesos] 330 billion over 15 years. This, he said, is already the 5th year of the program.

Acedera also admitted that the country lags behind the region in terms of equipment. At present, the Air Force has only two F-5 jet fighters. [passage omitted]

Thailand

Thailand: Amnuai: Regional Forum Expansion Challenge for ASEAN

BK0907063196 Bangkok THAILAND TIMES in English 9 Jul 96 p A2

[Unattributed Report]

[FBIS Transcribed Text] Bangkok — The expansion of the ASEAN Regional Forum (ARF) membership is a challenge for the Association of Southeast Asia Nations (ASEAN) to keep their original priorities while strengthening regional security, Deputy Prime Minister and Foreign Minister Amnuai Wirawan said yesterday .

Speaking at the Foreign Correspondents Club of Thailand (FCCT) yesterday, Amnuai said the next ASEAN foreign ministers meeting (AMM) in Jakarta on July 20-21 would consider how to handle many requests for the forum's dialogue partner status.

ARF's present dialogue partners include 20 nations and one regional grouping, the European Union (EU).

Many countries such as Mexico, North Korea, England and France — separately from the EU — have applied for ARF membership.

"Before too long ASEAN-10 will become a reality and ARF will be available to others," Amnuai said ASEAN is expected to accept Laos, Cambodia and Burma as full members of the regional grouping before the turn of the century.

ASEAN's rush granting of Burma an ARF membership has raised questions from many sides considering the ongoing political turmoil in that country.

Amnuai said, "ASEAN has been given assurance by the Burmese government that it has every intention to bring about regional stability."

He said ASEAN has encouraged political dialogue between the Burmese junta and the opposition because it has a significant meaning to regional stability and security.

"We try to make and improve relations through the existing government channels," Amnuai said in response to a question that Burmese opposition leader Aung San Suu Kyi has criticized ASEAN's "constructive engagement" policy towards Burma.

He assured that Burma's membership in ARF would not jeopardize peace and prosperity of the region, adding all ARF partners realized that each of them has a role to play in maintaining the security of the region.

Asked about ASEAN's upgrading of China as a full dialogue partner and recognition of the one China policy as the only dialogue partner in diplomatic relations, Amnuai said, "ASEAN's policy towards countries in the region is not to deliberate on one side against another." He added that ASEAN did not ignore Taiwan's request to become ASEAN's dialogue partner.

Concerning India, which will be granted a full dialogue partner status in the ARF along with Burma during the Jakarta meeting, Amnuai said India was the second largest country in the region, citing it has a very important role to play in regional security and stability.

"We will discuss issues that affect India as well as those that affect the rest of the region and the world," he said.

Thailand: ASEAN Urged To Press Rangoon Into Talks With Opposition

BK1007063096 Bangkok BANGKOK POST in English 10 Jul 96 p 8

[Unattributed report]

[FBIS Transcribed Text] Non-government [NGO] groups in Thailand want ASEAN to press for talks between the junta and pro-democracy forces in Burma.

They also want the Association of Southeast Asian Nations to press for the immediate release of Aung San Suu Kyi's supporters.

Their call came in an open letter marking the first anniversary of the pro-democracy leader's release from house arrest.

If the ruling State Law and Order Restoration Council [SLORC] failed to respond positively, ASEAN and its dialogue partners should reconsider inviting SLORC to ASEAN's next meeting in Jakarta, the groups said.

ASEAN has invited Burma to attend the annual meeting of its foreign ministers as an observer. Burma is also to join ASEAN and its dialogue partners in security talks at the ASEAN Regional Forum.

"ASEAN should encourage SLORC to immediately enter genuine political dialogue with Aung San Suu Kyi and representatives of the political and ethnic opposition," the letter said, adding ASEAN should offer to help those talks.

The letter is likely, to be given to Deputy Foreign Minister Pracha Khunakasem and Bangkok-based diplomats of ASEAN and its dialogue partners.

Signatories include the Asian Forum for Human Rights and Development (Forum-Asia), Amnesty International (Thailand), the Asian Cultural Forum on Development, the Thai Action Committee for Democracy in Burma, and the Union for Civil Liberty.

They said ASEAN played a leading role in bringing about peace and democracy in Cambodia and should do the same in Burma.

According to the NGOs, 27 of the 262 National League for Democracy (NLD) delegates arrested in the run-up to the party's May 26-28 congress remain under arrest. The NGOs also expressed concern about a "repressive law" announced on June 7 which decreed stringent penalties for those obstructing SLORC's drafting of a constitution, a process the NLD has rejected.

The NGOS urged ASEAN make clear to SLORC that "significant improvements" in human rights in Burma were a prerequisite for that country joining the group. Rangoon has indicated it wants to become a full member of ASEAN by 1998.

They called on the group and its partners to refrain from investing in Burma, and to support a moratorium on any new aid or funding for Rangoon until human rights and the political situation there improved.

An arms embargo should be enforced against the government and all armed opposition groups in Burma, they said.

ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam. Its dialogue partners include the United States, the European Union, Australia, New Zealand, Canada, Japan, South Korea and India.

Thailand: ASEAN Asked To 'Think Hard' About New Partners

BK1107062396 Bangkok BANGKOK POST in English 11 Jul 96 p 6

[Unattributed report]

[FBIS Transcribed Text] Thailand believes the Association of Southeast Asian Nations should think hard before receiving new dialogue partners after admitting Russia.

Foreign Minister Amnuai Wirawan also said ASEAN should consider adjusting its working methods.

Mr Amnuai was commenting on the recent recommendation by senior officials for Russia to be admitted as a full dialogue partner of ASEAN, and the pending annual meeting of ASEAN foreign ministers in Jakarta.

Thailand supports the admission of Russia as a full dialogue partner because it regards its political policy as compatible, Mr Amnuai said.

It believes the country has an important role to play in the maintenance of peace and security in the region.

After Russia's admission however, ASEAN should think hard as to whether it should take on more dialogue partners, and consider adjusting the grouping's working methods.

ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam. It has nine dialogue partners-the United States, the European Union, the United Nations Development Programme, Australia, New Zealand, Canada, South Korea, Japan, and India.

China and Russia, previously consultative partners are due to be upgraded as full dialogue partners during the coming meeting in Jakarta.

Having more dialogue partners would pose "logistical problems" and be time-consuming, Mr Amnuai said.

With the current number of dialogue partners to accommodate, ASEAN foreign ministers are already having to spend a total of six days in the Indonesian capital, from July 20-25, he noted.

"We may have to adjust the way we work," he said.

Since its founding in 1967, foreign ministers of ASEAN have met annually and with counterparts from the dialogue partner countries in what is known as the Post-Ministerial Conference (PMC).

In the past three years, ASEAN and its dialogue partners have also joined other regional states in security discussions under the ASEAN Regional Forum (ARF).

Mr Amnuai was emphatic that this year's ARF discussions would "deal with real substantive issues", not just engage in what he called ceremonies.

He named the dispute over the Spratly islands as one issue that would have to be examined by the ARF. Four ASEAN countries — Brunei, Malaysia, the Philippines, and Vietnam — are among rival claimants to the area also claimed by China, and Taiwan.

Mr Amnuai noted that the U.S. and Europe were keen to obtain moral support from ASEAN members in the peace process in Bosnia.

Thailand: Report Considers APEC Ministers WTO's Task

BK1507083496 Bangkok BANGKOK POST in English 15 Jul 96 p 18

[Report by Somphon Thanpanachai from Christchurch]

[FBIS Transcribed Text] The objective is to find a common position for the first ministerial meeting of the World Trade Organization (WTO) in Singapore this December. But the 18 members of the Asia Pacific Economic Cooperation (APEC) group, whose trade ministers meet in New Zealand today and tomorrow, could find the task easier said than done.

The group's members range from the United States and Japan to Thailand and Papua New Guinea. Their positions so far on some of the WTO issues — services liberalization, trade and the environment, trade and labor rights, corruption, investment, competition policy — are as diverse as their wealth. Identifying a common position will not be easy.

At one extreme, they could decide to push for the WTO's more than 100 members to agree on a specific deadline for the next stage of trade liberalization. WTO director-general Renato Ruggiero is said to have suggested the idea, based on APEC's own liberalization deadlines of 2010 for developed country members and 2020 for developing countries.

Singapore, host of this December's meeting and another APEC member, has taken up the idea. It is also suggesting that the deadline for completing all commitments currently being introduced under the 1994 WTO agreements should be brought forward by a year.

More likely, the APEC ministers will simply issue a weak statement broadly touching on the issues to be discussed at the WTO, urging all members to strictly implement their existing commitments, and to complete the unfinished business such as negotiations on the liberalization of services.

Thailand's emphasis is on continuing to roll back agricultural trade protection and subsidies. First steps are already being introduced around the world under the 1994 agreements. But the commitments are modest and the agreements envisage new negotiations starting in 1999. One of Thailand's objectives is therefore to make sure those new talks go ahead, and for preparations to start immediately.

It is a position shared by Thailand's 13 allies in the Cairns Group of agricultural exporters, among them seven APEC members: Australia, New Zealand, Canada, Malaysia, the Philippines, Indonesia and Chile. Japan and South Korea, also in APEC, might not be so keen, particularly where rice is concerned.

But Thailand's clout could be weakened by the fact that its delegation this week is led by a junior Cabinet member, Deputy Commerce Minister Amnuai Yotsuk, who has little experience in international trade affairs.

The Singapore agenda, and therefore the agenda in Christchurch, has four broad headings:

— assessing how the 1994 agreements are being implemented

— negotiations that remained unfinished after the Uruguay Round of world trade talks ended officially in 1994 such as services;

— commitments to start new negotiations contained in the 1994 agreements-including the revision, negotiation or consideration of areas like agriculture, services, rule of origin, intellectual property rights, investments and competition policy; and

— new issues such as the environment, labor, corruption investment and competition policy.

In the 18 months since the WTO was created as a result of the 1994 agreements, many commitments have been carried out, such as the wide range of tariff reduction in industrial goods or the progress made to liberalize agriculture products. But a lot remains to be done.

Therefore, the ministers are likely to consider ways APEC members need to assist each other to achieve the implementation. They will probably instruct their officials to outline appropriate activities to complete the commitments.

They will also discuss two large issues that are left over from the Uruguay Round: the services negotiations that could not be completed during the round, and trade and environment, which became an issue during the round but was never discussed in it.

The negotiations in three services areas — finance, basic telecommunications and shipping — are in trouble. The United States has been at the heart of the controversies in all three issues, often at odds with fellow APEC members from East Asia such as Japan, South Korea, and ASEAN.

Washington said other countries had offered too little in all three issues and refused to make commitments in financial services and shipping. Its telecommunications offer was rejected by other participants. Countries such as Japan have argued that the U.S. position is a pretext for protecting American companies in these sectors.

A financial services agreement has been concluded without the United States, giving American companies a free ride. The conclusion of the telecoms talks has been postponed until next year, and shipping talks now appear likely to be held over until early next century.

With that background, the ministers meeting in Christchurch could simply call for future individual contributions that could lead to the success of these negotiations.

Divisions within APEC over new issues such as the environment tend to be clearer splits between developed and developing country members. In general, the richer are under pressure from their Green lobbies to introduce tougher environmental protection measures under the WTO. The poorer countries argue that this would allow more protectionism in disguise and that in any case some proposals are difficult to implement for technical reasons.

The APEC ministers may do nothing more than consider steps to be taken in order to contribute a balanced report from the WTO committee.

Some new ideas have emerged in recent months. Developed members are talking about total free trade with zero tariffs in information technology products and this is likely to be discussed in Christchurch.

The ministers will also find time to look at APEC's own liberalization plans. Members have agreed to submit their individual plans of action for liberalization and this week the ministers will review the progress of this process. They will also consider whether it is possible that APEC invite non-APEC members to participate in some areas of APEC process, transforming actions into binding commitments under the WTO.

For the time being APEC has agreed that its liberalization will be available to non-members in the hope that non-members such as the European Union reciprocate.

The host of this meeting, New Zealand, raised question whether it is possible that APEC would challenge other WTO members to participate APEC own liberalization process in sectors that APEC members are keenly interested in, like tariff reductions, the removal of non-tariff barriers, and services liberalization.

Even if APEC fails to agree on details, the group hopes to send some signals for the future direction of global trade.

APEC groups the U.S., Canada, Mexico, Chile, China, Taiwan, Hong Kong, South Korea, Japan, Australia New Zealand, Papua New Guinea, Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

Thailand: Amnuai Outlines Foreign Policy, Role in Region

BK0907065596 Bangkok Radio Thailand Network in English 0000 GMT 9 Jul 96

[FBIS Transcribed Text] Deputy Prime Minister and Foreign Minister Amnuai Wirawan has reiterated Thai foreign policy in relation to the fast changing circumstances, saying that Thailand must play a greater role in both regional and global levels on political, security, economic, social, and other fronts. Mr. Amnuai outlined Thai foreign policy in his speech delivered yesterday at the Foreign Correspondents Club of Thailand in Bangkok.

He said as an up and coming economic player, Thailand's primary task is to help develop the international economic order through enhancing its role in international economic negotiations. This will promote the country's economic and particularly trade interests, which are the foundation of its well-being.

Mr. Amnuai said a major challenge would be ensuring that Thailand continued to reap the benefit of free trade at all levels. He said ASEAN is embarking on an ambitious quest to transform the entire Southeast Asian region into one unified economic network, joined in free trade, linked by road and rail, and working together on multi- lateral projects, such as Mekong basin development cooperation.

Mr. Amnuai said Thailand would continue to work with its ASEAN and other interested partners to fulfill this shared vision. Regarding bilateral relations in the region, he said Thailand is fully aware of its responsibility as a good neighbor. The cooperation the country pursues with its Southeast Asian neighbors must be based on equitable benefit and mutual supportiveness.

Thailand: Sri Lanka Frees Bangkok-Bound Freighter With Arms Cargo

BK1007062896 Bangkok BANGKOK POST in English 10 Jul 96 p 6

[Unattributed report]

[FBIS Transcribed Text] Sri Lanka has released a freighter that was impounded after docking in Colombo without declaring its cargo of artillery shells bound for Thailand.

Agents for the Panamanian-registered Alexandria should have told port authorities in advance that the ship had a dangerous cargo, the army deputy commander-in-chief said yesterday.

The army would not be liable for freight charges for the 10 containers of 105-mm shells, he said. Under the sales contract, the Israeli supplier was liable for all costs, insurance and freight.

[Army Deputy Commander-in-Chief] Gen. Chetha said Chaiseri Co, the agent, should have notified Sri Lankan authorities about the dangerous cargo before the Israeli-owned Alexandria put into port to refuel on June 30.

Thailand: Intelligence Veteran on Importance of Open News Sources

BK1207045696 Bangkok THE NATION in English 12 Jul 96 p A6

[Report by the Political Desk]

[FBIS Transcribed Text] As newspapers have become caught in an embarrassing circle of publishing rumours and denying them the day after, another group of news gatherers is working on the same pieces of information with a different attitude.

Contrary to popular perceptions taken from spy novels, 70 to 80 percent of official intelligence information is derived from news reports and open sources, a retired senior intelligence official said.

Only how the sources, reports, speculations and rumours are treated is different.

The country's intelligence service is organised on a collective basis with the Intelligence Advisory Board (IAB) as the highest coordinating body, the official said.

A former deputy director general of the National Intelligence Agency (NIA), who requested anonymity, the official said the IAB is chaired by the NIA director general and is comprised of the chiefs of the various intelligence bodies with responsibilities in the political, socio-economic and military fields.

The IAB's primary task is to issue directives and prepare national intelligence estimates.

In the current international situation of fierce economic competition, for example, the Bank of Thailand's representative on the IAB may be relied upon the most for information relating to economic and financial affairs, the source said.

In addition to working collectively through the IAB, each intelligence body has separate responsibilities and reports to its respective superiors. The Armed Forces Security Centre reports to the supreme commander, the Special Branch Bureau is under the national police chief and so on, he said.

The NIA is the principal body for national intelligence work, although there is a reduced focus on military aspects, which come under the armed forces own intelligence bodies.

"A large chunk of information is taken from news reports and open sources," he said, similar to the way newspapers work, he pointed out. But when it comes to analysing each piece of information, a different approach is applied.

Another source of information are people who wittingly or unwittingly supply views on their field of expertise. At times operatives purchase required information outright, possibly from journalists or other knowledgeable contacts, he said.

Using technical gadgets to gather information is also popular, but wire-tapping is not always the norm. With today's modern technology there are many options, such as remote voice detection and transmission, more commonly known as a bug, which can be used instead of phone-tapping.

This type of equipment can be assembled from parts generally available in electronic stores and it is up to the ingenuity of each intelligence agency on the subtlety of their use, he pointed out.

Once all the necessary information is collected, it is processed into intelligence reports or estimates for policymakers, he said.

The NIA is mainly responsible for preparing national-level reports and does not concern itself too much investigating daily political rumours, he said.

The spread of rumours is what the intelligence profession terms as disinformation, he said. Disinformation is a helpful tool to neutralise or discourage negative internal or external forces, he said, such as leaking information about uncovering a terrorist move to dissuade any potential threat from becoming operational.

Thailand: Committee Threatens To Boycott Defense Budget Meeting

BK1407104896 Bangkok THAILAND TIMES in English 14 Jul 96 p A1

[Unattributed report]

[FBIS Transcribed Excerpt] Bangkok — Bunchu Rotchanasathian, a member of the House budget scrutiny committee, yesterday threatened to walk out of the budget meeting today if the armed forces chiefs fail to testify at the defense budget scrutiny hearing.

A source sitting on the panel said Bunchu is expected to lead other committee members in suspending consideration of the Defense Ministry's budget allocation. He said the planned scrutiny boycott was supported by several committee members from the government side.

Defense Minister Gen. Chawalit Yongchaiyut earlier promised to urge the armed forces chiefs to testify so as to prevent the repetition of previous disastrous incidents.

The defense budget consideration in previous years was beset by problems caused by the absence of the armed forces chiefs during the budget scrutiny hearing.

"The Defense Ministry promised to behave as the other ministries," the source quoted Bunchu as saying.

The Defense Ministry's budget came under heavy fire from politicians and the media as it planned to purchase several types of weapons and military equipment such as 16 F/A-18 Hornets worth 18 billion baht, 300 armored cars and 17 light tanks. The planned purchase would receive budget commitments starting next year.

The enormous defense budget triggered a rift between Prime Minister Banhan Sinlapa-acha and Chawalit when Banhan expressed concerns that it might affect the national economy and increase the current account deficit.

The premier subsequently asked the military to revise its arms purchase plan.

The budget also covers expenditures for personnel salaries, training supplies and facilities. [passage omitted]

Vietnam

SRV: Premier Vo Van Kiet Receives U.S. Security Adviser

BK1407132096 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 13 Jul 96

[FBIS Translated Text] Prime Minister Vo Van Kiet received yesterday evening in Ho Chi Minh City U.S. Presidential National Security Adviser Anthony Lake who paid him a courtesy call on the occasion of his working visit to Vietnam. His Excellency Anthony Lake expressed his honor to be received by the Vietnamese prime minister and informed him of the fine results of his working sessions with the Vietnamese foreign minister and other high-ranking Vietnamese officials. He noted with pleasure that U.S.-Vietnamese relations have made encouraging improvements since the establishment of diplomatic ties between the two countries. He maintained that stability and prosperity in Vietnam and Southeast Asia would create conditions for further U.S. participation in the economic growth in Vietnam and the region. He welcomed Vietnam's ASEAN membership, highly evaluated the excellent participation of the Vietnamese government and people in the search for U.S. servicemen missing in the war, and expressed the U.S. Government's desire to contribute toward Vietnam's national construction and search for Vietnamese servicemen missing in the war.

Prime Minister Vo Van Kiet welcomed His Excellency Anthony Lake's Vietnam visit, regarding this event as a new effort by the U.S. Government to strengthen bilateral ties. He pointed out: U.S.- Vietnamese relations have made positive improvements one year after the establishment of diplomatic ties between the two countries. Vietnam will strive to elaborate on past achievements in order to contribute to further promoting U.S.-Vietnamese relations in the interest of the two countries and of the region. There will be improved conditions for resolving the outstanding issues relating to bilateral ties if both sides make joint efforts to promote mutual understanding and trust.

SRV: Expected Admittance to APEC Viewed

BK1307113896 Hanoi Voice of Vietnam in English 1000 GMT 5 Jul 96

[Station Commentary]

[FBIS Transcribed Text] Vietnam is going to be a member of the Asia Pacific Economic Cooperation Forum, or APEC, whose members are Vietnam's major trading partners. Our commentator has more to say:

Foreign Minister Nguyen Manh Cam, on behalf of the Vietnamese Government, last month sent a letter to Mr. Domingo Siazon, foreign minister of the Philippines, the host country for the 1996 APEC conference. Vietnam's proposal was accepted by APEC member countries and possibly Vietnam will become a forum member at the coming meeting of their leaders in Manila.

Being ASEAN members, Vietnam cannot stand outside APEC. Joining this forum is in conformity with Vietnam's policy to diversify and multilateralize its international relations and broadening its market at the service of national industrialization and modernization. Joining APEC, Vietnam can also bring into full play opportunities to make use of technical advances and to expand its economic and trade relations with other countries, and at the same time enjoy its privileges such as investment and technology transfer.

Vietnam has in recent years attached importance to developing relations with APEC member countries for mutual interests, and for peace and development, whereas APEC members have been major trade partners of Vietnam. Import-export value and investment of APEC member countries now account for 80 percent of the total value of foreign import-export value and investment in Vietnam. This is also one of the advantages for Vietnam to become an APEC member country.

Once admitted, Vietnam's position in region and its relations with regional countries would be strengthened and consolidated for finding more favorable conditions for normalization of economic and trade relations between Vietnam and the United States.

SRV: Sino-Vietnamese Working Group on Sea Issues Meets

*BK1107005996 Hanoi VNA in English
1550 GMT 10 Jul 96*

[FBIS Transcribed Text] Hanoi VNA July 10 — The Sino-Vietnamese expert working group on sea issues held its second round of talks in Beijing on July 2-7.

The Vietnamese group to the meeting was headed by Huynh Minh Chinh, director of the Foreign Ministry's Sea Department, and assistant to the director of the Border Department of the government and the Chinese group led by Hsu Guangjian, ambassador and legal advisor to the Ministry of Foreign Affairs.

The talks took place in an atmosphere of friendship and frankness. The two sides compared notes on the sea issues relating to both countries including the sovereignty of the Hoang Sa (Paracel) and Truong Sa (Spratly) archipelagoes.

The two sides agreed that based on international laws including the 1982 UN Convention on the Law of the Sea, in conformity with the spirit of agreements and understanding reached by the two countries' leaders, and mutual respect the expert group will continue negotiations on the sea issues in order to find out fundamental and long-term solutions acceptable to both sides.

The two sides also agreed that the third meeting of the group will be held in Hanoi in early 1997. The definite time of the meeting will be defined later.

On July 4, the group was received by Deputy Foreign Minister Tang Jiaxuan. Vietnamese Charge d'affaires Vu Quang Khoat was also present at the reception.

SRV: Radio Cites 'Successful' Sea Border Talks With China

*BK1407123396 Hanoi Voice of Vietnam in English
1000 GMT 11 July 96*

[Station Commentary]

[FBIS Transcribed Text] Negotiations between Vietnamese and Chinese experts on the sea border issue has been ended successfully in Beijing.

During the second round of talks, the two sides exchanged views on issues concerning territorial sovereignty of the Hoang Sa [Paracel] and Truong Sa [Spratly] Archipelagoes. The two sides have agreed that Vietnamese and Chinese specialists will continue to seek long-term and basic resolutions on the basis of international law including the United Nations Convention on the Law of the Sea, and on the spirit of justice complying with agreement and understanding between the senior leadership of the two countries.

The third round of specialist talks will take place in the beginning of 1997 in Hanoi. Land and sea border is a pending issue within the friendly and cooperative relationship between the two countries as well as with other countries claiming sovereignty in the Eastern Sea [South China Sea].

Together with promoting friendly and comprehensive cooperation in politics, economics, technology, and culture, Vietnam and China want to solve the border issue contributing to peace, stability, development, and cooperation in the region and the world.

In mutual visits, leaders of the two countries have welcomed the improvement achieved in this round of specialist talks on the mainland border and in the Tonkin Gulf.

The two sides have agreed to speed up negotiations focusing on specific issues. Delegations from the Vietnamese and Chinese Governments have met on various occasions to discuss these issues. On this occasion, the Vietnamese side wished that through negotiations the two countries would reach a fundamental and durable solution to the pending border and territorial question, and proposed that pending such a solution both sides should strictly implement agreement reached by their leaders as well as agreements on fundamental principles reached at previous rounds of talks either in Hanoi or Beijing. The two sides were committed to restrain themselves from any acts that might aggravate the situation, deepen the dispute, and cease the use of violence or threat to use violence. Respect for the independence and sovereignty of coastal countries is in accordance wYth rules of?international law. The Vietnamese wants sovereignty disputes in the Eastern Sea to be solved among all parties directly through peaceful negotiations with respect of the above mentioned principles.

At these talks, either at expert or governmental levels, Vietnam and China shared the same view that peace and stability in the region are the vital importance to the development of either country and the region as a whole.

SRV: Do Muoi Receives Outgoing Russian Ambassador

*BK1307163996 Hanoi VNA in English
1533 GMT 13 Jul 96*

[FBIS Transcribed Text] Hanoi VNA July 13 — Party General Secretary Do Muoi received here this afternoon Russian Ambassador to Vietnam Mr. Rachit L.

Khamidulin who paid him a farewell visit at the end of his term of office in Vietnam.

The party chief reaffirmed the Vietnamese party, state and people's profound gratitude to all nationalities in the former Soviet Union including the Russian people for their effective and great support and assistance in the struggle for national liberation and construction. He said Vietnam would do its best to further develop the friendship and cooperation between the two countries.

On this occasion, the party leader asked the ambassador to convey his best regards to Russian President B. Yeltsin.

The out-going ambassador highly appreciated the achievements recorded by the Vietnamese people in the renewal process, and wished them new successes in national construction and defence. He said he believed that the relations between the Vietnamese and Russian peoples will be maintained forever .

SRV: Relations, Cooperation With the Philippines Reviewed

BK1407143796 Hanoi Voice of Vietnam in English 1000 GMT 12 Jul 96

[Station Commentary]

[FBIS Transcribed Text] July 12 marks the 20th anniversary of the establishment of diplomatic relations between Vietnam and the Philippines. This year's anniversary comes at the time when relationship between the two countries has reached a new stage of development. Here is our radio editor comment.

Vietnam and the Philippines established diplomatic relations on July 12, 1976. However, the bilateral relationship has seen positive stages of development over the past four years. Meanwhile, the understanding in relations of the two countries and peoples has had a long history. More than a century ago in 1891 merchant ships transported rice from Haiphong Port of Vietnam to Manila Port, but colonialism has severed the two countries and the cold war also put the two nations in different front. Now the war had ended; such factors as renovation, peace, and development, political and economic independence have made the two nations become closer to each other. Leaving the prejudice of the past behind, leaders of the two countries, during the past three years, have paid shuttled visits as close friends.

The present Philippine President Fidel Ramos in Hanoi in 1994 and the visit of Vietnamese President Le Duc Anh to the Philippines last December marked a new stage of development in the relationship between the two countries. The two countries have signed important agreements on economy, technology, and culture. Joint committees and business boards have been put into operation. The Philippines has 12 projects with the total investment capital of $120 million in Vietnam. Two-way trade turnover increased to 150 percent against last year.

Another important thing is that the two countries have now mutual understanding and reliability. President Fidel Ramos said it was natural that there has been a cooperation between the two neighboring countries as close to each other as the Vietnam and the Philippines. President Le Duc Anh pointed out that Vietnam and the Philippines should always be close friends.

The economic relations between the two countries have not yet as equal developed as the political relations; and it is not big in comparison with economic relations between Vietnam and other ASEAN countries, but the above results are of significant importance. The results themselves make the significance of the diplomatic anniversary day more profound. The cooperation between Vietnam and the Philippines is contributing to stability and prosperity in the region.

SRV: Cultural Links With Philippines, Indonesia Promoted

BK1307160796 Hanoi VNA in English 1547 GMT 13 Jul 9

[FBIS Transcribed Text] Hanoi VNA July 13 — A delegation from the Ministry of Culture and Information led by Minister Tran Hoan paid six-day working visits to the Philippines and Indonesia to promote cultural and information links with these countries.

During the two-day visit to the Philippines where Minister Hoan attended the Asian Summit on Information and Child Rights on July 6- 7, Vietnamese officials had a working session with Secretary of Education, Culture and Sports Ricardo de Gloria, met with Minister Hector Villa Nueva and Deputy Minister Marcelo Lagmay in charge of the presidential palace's press and chairwoman of the National Culture Commission Carmen Padilla. During the meetings, the two sides focussed their discussions on possibile ties for cooperation in culture, arts and information within the framework of the culture agreement signed by the Philippine and Vietnamese Governments in 1994.

While in Indonesia from July 8-11, Minister Tran Hoan and his entourage held talks with Indonesian Minister of Information Harmoko and had a working session with Minister of Education and Culture Wardiman Djojonegoro. Both sides expressed their desire to broaden and promote bilateral cooperation in various fields, particularly in culture and information.

Khamidulin who paid him a farewell visit at the end of his term of office in Vietnam.

The party chief reaffirmed the Vietnamese party, state and people's profound gratitude to all nationalities in the former Soviet Union including the Russian people for their effective and great support and assistance in the struggle for national liberation and construction. He said Vietnam would do its best to further develop the friendship and cooperation between the two countries.

On this occasion, the party leader asked the ambassador to convey his best regards to Russian President B. Yeltsin.

The out-going ambassador highly appreciated the achievements recorded by the Vietnamese people in the renewal process, and wished them new successes in national construction and defence. He said he believed that the relations between the Vietnamese and Russian peoples will be maintained forever .

SRV: Relations, Cooperation With the Philippines Reviewed

BK1407143796 Hanoi Voice of Vietnam in English 1000 GMT 12 Jul 96

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The present Philippine President Fidel Ramos in Hanoi in 1994 and the visit of Vietnamese President Le Duc Anh to the Philippines last December marked a new stage of development in the relationship between the two countries. The two countries have signed important agreements on economy, technology, and culture. Joint committees and business boards have been put into operation. The Philippines has 12 projects with the total investment capital of $120 million in Vietnam. Two-way trade turnover increased to 150 percent against last year.

Another important thing is that the two countries have now mutual understanding and reliability. President Fidel Ramos said it was natural that there has been a cooperation between the two neighboring countries as close to each other as the Vietnam and the Philippines. President Le Duc Anh pointed out that Vietnam and the Philippines should always be close friends.

The economic relations between the two countries have not yet as equal developed as the political relations; and it is not big in comparison with economic relations between Vietnam and other ASEAN countries, but the above results are of significant importance. The results themselves make the significance of the diplomatic anniversary day more profound. The cooperation between Vietnam and the Philippines is contributing to stability and prosperity in the region.

SRV: Cultural Links With Philippines, Indonesia Promoted

BK1307160796 Hanoi VNA in English 1547 GMT 13 Jul 9

[FBIS Transcribed Text] Hanoi VNA July 13 — A delegation from the Ministry of Culture and Information led by Minister Tran Hoan paid six-day working visits to the Philippines and Indonesia to promote cultural and information links with these countries.

During the two-day visit to the Philippines where Minister Hoan attended the Asian Summit on Information and Child Rights on July 6- 7, Vietnamese officials had a working session with Secretary of Education, Culture and Sports Ricardo de Gloria, met with Minister Hector Villa Nueva and Deputy Minister Marcelo Lagmay in charge of the presidential palace's press and chairwoman of the National Culture Commission Carmen Padilla. During the meetings, the two sides focussed their discussions on possibile ties for cooperation in culture, arts and information within the framework of the culture agreement signed by the Philippine and Vietnamese Governments in 1994.

While in Indonesia from July 8-11, Minister Tran Hoan and his entourage held talks with Indonesian Minister of Information Harmoko and had a working session with Minister of Education and Culture Wardiman Djojonegoro. Both sides expressed their desire to broaden and promote bilateral cooperation in various fields, particularly in culture and information.

The Vietnamese delegation was received on July 9 by Indonesian Vice President Try Sutrisno who hailed the visit as a new step of development in the cooperative relations in culture and information between the two countries. It also toured places of cultural interest in Jakarta and Bali, a province east of Java.

Earlier, Minister Hoan and his party had meetings with secretary general of the ASEAN, Ajit Singh, and senior officials from the organisation's Committee on Culture and Information (COCI-ASEAN).

SRV: France Agrees to $14 Million Loan for Agriculture

BK1007163996 Hanoi VNA in English
1523 GMT 10 Jul 96

[FBIS Transcribed Text] Hanoi VNA July 10 — The French Development Fund (CFD) has agreed to provide a preferential loan of Franc 75 million (about USD 14 million) for an agriculture credit programme of the Vietnam Bank for Agriculture (VBA).

A protocol in this effect was concluded here today between the CFD and the Vietnam's Ministry of Planning and Investment.

Under the protocol, signed by Deputy Minister of Planning and Investment Vo Hong Phuc and CFD's Asia-North Africa-Pacific Department Director Alain Chetaille, CFD will provide the loan to Vietnam through the VBA. The sum will be lent to farmers to implement agricultural development programmes in different parts of the country. These programmes include sugarcane planting in the central province of Quang Ngai, dairy cow raising in Ho Chi Minh City, southern provinces of Song Be and Dong Nai and northern province of Son La, and litchi growing in Hai Hung, cashew growing in southern provinces of Song Be and Dong Nai, and mulberry growing and silkworm breeding in northern provinces of Nam Ha and Son La, and setting up savings and credit funds to assist farmers in the Red river delta provinces.

This is the first CFD loan project for agriculture and rural development in Vietnam within the cooperation framework between the two countries. The project is excluded in the bilateral financial protocol on development cooperation reached between the two governments every year.

SRV: Party Leader Receives Frelimo Party General Secretary

BK1007161496 Hanoi VNA in English
1538 GMT 10 Jul 96

[FBIS Transcribed Text] Hanoi VNA July 10 — General secretary of the Communist Party of Vietnam (CPV) Do Muoi received here this afternoon general secretary of the Mozambique Liberation Front (Frelimo) Party Samuel Jorge Tome, who is also honorary president of the International Organisation of Journalists (IOJ).

Mr. Tome conveyed to Mr. Muoi warm congratulations from the Frelimo party and its president, Mr. Joaquim Chissano, who is also president of Mozambique, on the success of the recent eighth national congress of the CPV.

Mr. Tome stressed that the great success of the Vietnamese people over the past half century proved the correct policy of the CPV, and reflected their great unity and the extraordinary endeavours in their struggle for national independence and national construction.

General Secretary Do Muoi spoke highly of the time-honoured bilateral friendship, solidarity, support and assistance between the two parties and peoples. He stressed that they have ever more favourable conditions to further promote their friendship and cooperation in the new situation. Mr. Muoi also wished the Frelimo party and the Mozambican people greater success in their cause of national defence and construction.

SRV: Foreign Affairs Press Department Holds News Conference

BK1107130296 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 11 Jul 96

[FBIS Translated Text] In Hanoi this afternoon, the Information and Press Department under the Foreign Affairs Ministry held a regular news conference. A large number of correspondents and journalists from foreign and domestic news agencies and newspapers attended the conference.

Answering a question on foreign investment in Vietnam and the investment policy after the Eighth National Party Congress, a representative of the Information and Press Department said: The Eighth National Party Congress confirmed that Vietnam is continuing with the renovation undertaking and the open-door external relations policy, aimed at heightening the efficiency of external economic relations and strengthening the capacity to attract foreign investment and technology. The congress also determined directions and major measures for continuing the improvement in the investment environment in Vietnam. We believe that this provides a most explicit assurance for foreign investors so that they can feel at ease about investing in Vietnam. In fact, foreign investment has continued to pour in, and we believe that foreign investment to Vietnam will continue to grow.

A Reuters correspondent asked about the truth of a news report on an intrusion by a Chinese ship, or many of them both military and civilian, into Vietnam's territorial sea in Bac Bo Gulf. He asked what the real intention was and how Vietnam would react. The representative of the Information and Press Department under the Foreign Affairs Ministry replied: We are in the process of examining the news report from the journalists. On this occasion, I would like to reemphasize that while negotiations are being held, it is Vietnam's stance that it is necessary to maintain the status quo and to avoid any actions that further complicate the situation. This was an agreement made at a high level and it is one that needs to be respected. Vietnam protests against any actions that run counter to the agreement.

To a question from a AFP correspondent related to the possibility of the signing of a Vietnam-U.S. trade agreement, the representative of the Information and Press Department under the Foreign Affairs Ministry revealed that Vietnam and the U.S. are in the process of preparing the signing of a trade agreement between the two countries. The two sides have exchanged, and are continuing to exchange, information and coordinate on other necessary actions before official negotiations can be carried out. The negotiation process will take some time. Both sides, however, agreed that after the normalization of diplomatic relations, the development of economic and trade cooperation is the core duty, of which the signing of trade agreement is an important task. The process is in the interests of both Vietnam and the U.S.

SRV: Situation of 'Boat People' Reviewed

BK1407100596 Hanoi Voice of Vietnam in English 1000 GMT 11 Jul 96

[Station Commentary]

[FBIS Transcribed Text] By July 30, all camps for Vietnamese refugees in Asia had been closed except for Hong Kong. In late 70's and early 80's, many Vietnamese left the country illegally to escape the country's economic difficulty immediately after the war and to seek their fortune abroad. Altogether, since the liberation of South Vietnam and the reunification of the country, 840,000 Vietnamese left the country, of which over 700,000 settled abroad, while the remainders have had to return to Vietnam. Over the last seven years, the Vietnamese Government has cooperated with international organizations to implement the comprehensive program of action taking back some 80,000 repatriates and providing facilities for 70 percent of them to return to normal life.

The flow of illegal departures ended in May 1993. Regarding repatriation in the first half of this year, Mr. Dinh The Lap, deputy head of the Office in Charge of Refugee Repatriation spoke to the Voice of Vietnam:

[Begin Lap recording in Vietnamese fading into English report] Since early this year, Vietnam has received 12,391 repatriates, nearly the same figures for all of 1994 and doubling that in 1995. They returned home by different means. It included three ships from Malaysia to Vung Tau Port and Can Tho Province in Southern Vietnam. Local administration, especially people's committees and provincial organizations have been prepared to assist them to stabilize their life and integrate with the home community as soon as possible. By June 30, there remained at refugees camps in Asia 25,000 Vietnamese people and over 2,000 others in other countries. These people asked to be repatriated in two or three months times. Over 15,000 Vietnamese boat people still live in Hong Kong camps. So the United Nations High Commissioner for Refugees [UNHCR] decided to extend the deadline for their repatriation to June 30 next year before the Island is merged back with China. [end recording]

Vietnam has so far received great support and assistance from various international organizations, especially from the UNHCR, the European Union, and many non-governmental organizations. The UNHCR has assisted the repatriation program with over $40 million. In the 1992-95 period, the UNHCR funded 381 projects, big and small, in Vietnam, Miss (Catherine Bergan) the UNHCR representative said:

[Begin (Bergan) recording in French fading into English report] Each Vietnamese repatriate, voluntary or orderly, is given $240 from the UNHCR. Each voluntary adult repatriate receives another $200 and teenager $175. The organization also assists the repatriates by building infrastructure in their homeland, especially areas with the large number of repatriates which include schools, hospitals, and public work. The UNHCR started operating in Vietnam in 1974 and will continue its assistance to Vietnam in these activities. It planned to reduce its aid to countries where Vietnamese boat people are still living and finalize its infrastructure projects in Vietnam in 1997. [end recording]

SRV: Overseas Workers Now Total 'Around 20,000'

BK1507082996 Hanoi VNA in English 0637 GMT 15 Jul 96

[FBIS Transcribed Text] Hanoi VNA July 15 — Nearly 5,700 more Vietnamese were sent to work abroad in the first six months of this year, bringing the total number of Vietnamese guest workers under labour contracts to around 20,000.

The signing of labour contracts with overseas partners is seen as a way to alleviate the problem of unemployment while increasing the national hard currency earnings and intensify international labour cooperation.

In 1980, 270,000 first Vietnamese were sent to foreign countries (chiefly the former Soviet Union and East Europe) under long- and short-term labour contracts. However these contracts, most of which have expired now, were made on the basis of mutual assistance and cooperation among fraternal socialist countries. It was not until 1991, when the market-oriented economy was adopted after the introduction of the party's open door-policy, that Vietnam's labour cooperation was based on supply and demand. As a result, its labour markets have gradually expanded to Northeast Asia, Southeast Asia, the Middle East and Africa. There are to-date nearly 20,000 Vietnamese working overseas with more than half of them in South Korea and Libya.

The Vietnamese and Ukrainian Governments have recently concluded a labour cooperation agreement. Earlier, Vietnam signed with Laos a similar agreement, paving the way for three Vietnamese companies to provide immigrant workers to Lao partners.

Twenty-seven businesses and companies are now authorized to seek outlets, sign contracts, conduct training courses and select eligible people to work abroad. Vietnam Overseas Construction Corps (Vinaconex) is the most successful among these companies.

Vietnamese guest workers have been highly valued by their employers for their high standard of education, industriousness, good skills, ability to learn and handle new technology, and the initiatives they show to raise productivity. However their low standard in foreign-languages and their style of working need to be improved.

To solve the problems, the Ministry of Labour, War Invalids and Social Affairs, relevant agencies and labour contractors have organised courses or jobs, foreign languages and working environments for future guest workers. Apart from taking steps to simplify procedures and improve managerial skills. They have also closely cooperated with foreign partners, particularly those from South Korea, Libya, Laos and Japan, to resolve timely [words indistinct] labourers' rights.

SRV: DPRK Delegate Addresses Eighth Party Congress

BK1507050996 Hanoi NHAN DAN in Vietnamese 29 Jun 96 p 7

["Excerpt" of speech by Hwang Chang-yop, chief delegate of the North Korean Workers Party, delivered at the Eighth National Congress of the Communist Party of Vietnam in Hanoi — exact date not given]

[FBIS Translated Text] On behalf of the Korean Workers Party [KWP] Central Committee, I would first like to extend my warmest greetings to the Eighth National Congress of the Communist Party of Vietnam [CPV]. I would also like to ask you, the Vietnamese delegates, to convey the warmest greetings, filled with comradeship, from the KWP and the Korean people to the CPV and the Vietnamese people.

I would like to thank the CPV Central Committee for having invited our party delegation to attend the CPV congress.

This congress is an important event designed to review the results and experiences obtained by the party and people of Vietnam in the past, and to address new prospects for your party and people. The CPV's Eighth National Congress has drawn great public attention at home and abroad.

With esteemed Comrade General Secretary Do Muoi leading the CPV Central Committee, the Vietnamese people have stepped up their struggle for socialist construction and defense to conform with Vietnam's realistic situation. They have recorded great achievements in this struggle.

Your comrades' national stability and all those fruitful achievements gained by the Vietnamese people in the cause of socialist construction cannot be separated from the CPV leadership.

Having experienced countless ordeals in the prolonged revolutionary war, the CPV has been revamped and developed. It has further consolidated its reputation as an organization that provides political leadership for the Vietnamese people.

We sincerely congratulate the party and people of Vietnam on the fruitful achievements, which they have scored in their efforts to maintain socialism and to move forward.

We sincerely hope that the Vietnamese people will closely unite themselves around the CPV Central Committee; and, with the same mind, they will strive to thoroughly understand the tasks set forth by the Eighth National Party Congress and to score ever-greater achievements in fulfilling the goals of the CPV — to build a prosperous, powerful, and civilized socialist Vietnam.

The longtime friendship between the two parties and peoples of Korea and Vietnam were built and fostered by Comrade Kim Il-sung, our people's great leader, and by Comrade Ho Chi Minh, the Vietnamese people's esteemed leader has been consolidated and developed.

In the period ahead, our party and people will devote their spirit of internationalism to consolidating and developing the friendship and unity between the two parties and peoples of Korea and Vietnam, which have been built up by the leaders of our two countries in the anti-imperialist struggle as well as in socialist construction.

SRV: Cuban Communist Party Delegation Speech at Eighth Congress

BK1007031896 Hanoi NHAN DAN in Vietnamese 29 Jun 96 p 7

["Excerpt" of speech by Rose Ramon Balaguer, political bureau member of the Cuban Communist Party, delivered at the CPV Eighth National Congress in Hanoi on 29 June]

[FBIS Translated Text] From the fraternal land of Cuba, we would like to convey to the congress the warmest greetings of the Cuban communists and people, and especially greetings from President Fidel Castro, who has always remembered the unforgettable warm welcome, hospitality, and affection extended to him and his entourage by you, comrades, during his second historic visit to beautiful Vietnam in November last year.

This Eighth National Congress of the Communist Party of Vietnam will discuss and set forth important orientations and tasks aimed at leading Vietnam to achieving industrialization and modernization. For us, to have the chance to attend this congress is a great honor.

The tasks set forth by the congress are very heavy. However, having witnessed with our own eyes the changes in the Vietnamese people's daily life, the economic achievements recorded in the past years, the elation and happiness shown by each Vietnamese, and the people's confidence in the party and in their own future, we are confident that — as in the fighting during the past war — Vietnam today will be able to overcome all difficulties and will testify to the world that socialism is practical. It will testify that if we know how to appropriately apply the principles of Marxism-Leninism to the reality of each nation, it will be fruitful; that the far- sighted Ho Chi Minh Thought still retains its value; and that the existence of the Communist Party of Vietnam as a ruling political party is the sole option for maintaining the revolutionary gains, protecting national independence and sovereignty, and promoting freedom.

... [ellipsis as published] Cuba is very proud and will forever maintain its pride in having the chance to share weal and woe with the fraternal Vietnamese people during the most difficult moments in the resistant war against the United States. We are proud that we have built and fostered this faithful friendship. During the past years, we have together overcome numerous difficulties and ordeals. We have together asserted our determination to continue along the path chosen by our two peoples; to continue our role as free people, as masters of our own countries, and as socialist men; and to continue upholding the immutable principle of internationalism.

The most lofty sentiment of internationalism constitutes the valuable and continued support that you have extended to us, comrades.

We will never forget and will be forever grateful for the spirit of solidarity you have extended to the Cuban revolution at this most difficult and decisive moment. Your assistance has been imprinted in our heart because we understand that to give us such assistance, you have had to make sacrifices and endure untold hardship. This has enhanced the lofty nature of such sacrifices and hardship, as taught by beloved President Ho Chi Minh.

From the bottom of our heart, we wish the historic Eighth National Party Congress a brilliant success; we wish you, comrades, many achievements in implementing the resolutions and targets set by the congress. We are very proud to share with you this great, significant moment and we would like to reaffirm the unstoppable impetus of our party, people, and of Fidel Castro to continue consistently consolidating the faithful and excellent fraternal relations between our two peoples.

SRV: HCM City Head Delegate Addresses National Party Congress

BK0907033896 Hanoi QUAN DOI NHAN DAN in Vietnamese 30 Jun 96 p 2

["Excerpt" of a speech delivered by Truong Tan Sang of the Ho Chi Minh City [HCM] delegation attending the 29 June morning session of the Eighth National Party Congress in Hanoi]

[FBIS Translated Text] ...First of all, to uphold the leading role of the state economy, we must devise a system of macro- management policies to govern finance, taxation, credit, investment, and import-export activities to stimulate development while at the same time regulating the activities of the various economic sectors in a rational way and guaranteeing the efficiency of state management guidelines. Based on realities, we would like to propose a number of solutions as follows:

1. Accelerating the restructuring of state business establishments in the direction of streamlining organization, expanding the scope of operations to a proper level, and improving work efficiency.

We should turn state general corporations into economic-technological units to gradually form economically strong state- owned conglomerates with good economic and financial standings to compete with local business organizations and foreign business partners. At the same time, we should reorganize small-size business establishments by dissolving or merging those units that operate at a loss or by setting up new ones with sufficient capital to improve technology and competitiveness in accordance with the existing state business management mechanism.

We should separate state business enterprises specializing in business activities from those designed to meet public interests so that we can apply two different management policies to them. In the near future, we should strengthen state business establishments designed to meet public interests, particularly urban service providers, so that we can improve the quality of different kinds of public services...

2. Diversifying ownership through the equitization of state business institutions with a view to reducing to a reasonable extent the number of state business organizations that are not truly needed in some areas of activities, and to increasing the number of joint stock business enterprises where the state has its shares, thus making it possible for us to mobilize a substantial volume of capital to set up state business organizations in important areas to meet development objectives.

3. Encouraging state business organization to broaden cooperation programs and joint ventures with other economic sectors so as to increase the size of the "state capitalist economy" under the multisectoral economic system.

We should formulate policies and mechanisms to encourage the state business sector to participate in the establishment of new business organizations through joint ventures and cooperation programs and in accordance with the Laws on Corporations and on Foreign Investment so as to increase the volume of investment capital in the form of state shareholding in private business organizations. It is necessary to set up many joint stock business organizations with the state holding dominating, special, or regular shares to enhance the role and position of the state capitalist sector under the multisectoral economic system. This is one of the important measures for the state to regulate the market through capital investment instruments and through built-in check and control mechanisms.

4. Creating conditions for state general corporations to invest in the construction of key business centers and goods distribution points, thus gradually controlling business activities through the economic strength of state business organizations or of business establishments where the state plays a dominating role owing to the large volume of its shares.

The contents of the above-mentioned proposal are feasible provided that we reach unanimous points of view and sharpen the determination to organize implementation. It is our objective to continue to effectively renovate and develop the state economic sector so that it can play a key role, act as an economic leverage to stimulate economic growth, help resolve social problems, and open the way for and support the development of other economic sectors, thus contributing toward the success of the industrialization and modernization program and toward the establishment of the foundation for a new social system built upon the socialist path and goals that our party and Uncle Ho have chosen.

SRV: Farmers Harvest 'Record' Rice, Grain Crop

BK1107072396 Hanoi VNA in English
0703 GMT 11 Jul 96

[FBIS Transcribed Text] Hanoi VNA July 11 — Farmers across the country have harvested a record of over 12.9 millions tonnes of rice and grain in the winter-spring crop, described as one of the best in recent years in terms of acreage, yield and output.

The amount represents an increase of more than 916,000 tonnes as compared to last season, and is over four million tonnes higher than that of the 1990 crop.

According to the latest statistics released by the Ministry of Planning and Investment, this season's rice output recorded by farmers in the south accounts for some seven million tonnes, an all-time high, while the north is expected to yield 4.7 million tonnes, up more than 660,000 tonnes in comparison with last year's winter-spring crop.

Nearly 2,565,000 hectares of rice have been cultivated by farmers across the country, an increase of about six per cent over last season, despite the long drought in central Vietnam, the consequences of last year's floods in the Mekong River Delta (the south) and the cold spell which destroyed hundred of thousands of hectares of newly transplanted rice and rice seedlings in the north. The total acreage put under rice in 11 provinces in the Mekong River Delta, the country's biggest rice producer, was up by some 100,000- 150,000 hectares compared to that of the previous crop, with An Giang taking the lead in terms of rice acreage (more than 203,140 hectares).

Most of the Mekong Delta provinces, achieved yields of over six tonnes per hectare, an increase of one-two tonnes/ha over last season. An Giang continues to be the country's number one producer, achieving a rice yield of 6 tonnes-6.5 tonnes/ha.

Farmers in the north are still harvesting the remaining 450,000 hectares of rice which is expected to show a marked yield increase. The Red River Delta province of Thai Binh is reported to have recorded a yield of 6.4 tonnes/ha, an increase of 0.37 tonnes/ha against that of the previous crop and Hai Hung province, a yield of 5 tonnes/ha, up nearly 0.5 tonnes/ha.

Since early this year more than 1.2 million tonnes of rice has been exported and another 0.4 million tonnes of rice will be exported under current contracts.

The achievements are the result of the farmers' energetic efforts, the party and government's policies to encourage farmers to expand cultivated areas, improve micro economic management, and province farmers with wider access to soft loans to develop agricultural production. The application of new high-yield rice strains and technology, the improved management by the state of supplying fertilizers and price control are also regarded as factors to boost agricultural production over the past months.

SRV Plans To Approve Power Plants To Exploit Oil Industry

BK1007094896 Hanoi VNA in English
0616 GMT 10 Jul 96

[FBIS Transcribed Text] Hanoi VNA July 10 — Latest surveys show that Vietnam's gas reserves total some 1,300 billion cubic metres concentrated in the southern Con Son Basin, and the Red River Basin (including the Tonkin Gulf and offshore Central Vietnam) and the Mekong Basin where oil and gas are being exploited in oil fields such as Rong (dragon) and Bach Ho (white tiger).

Considering the oil industry a spearhead economic sector, Vietnam has set a target of exploiting 16 million tonnes of crude oil and between 3.7-4 billion cubic metres of gas by the year 2000. It also plans to raise the capacity of the gas industry, develop a master plan to make use of natural gas and associated gas, and build two pipelines to bring 4.5-5 billion cubic metres of gas ashore a year.

A master plan for the gas industry now awaiting the government's approval call for the building of four power plants and a urea fertilizer factory in Phu My in the southern coastal province of Ba Ria-Vung Tau from now to the end of this century. They will consume an estimated 3.5 billion cubic metres of gas a year by the year 2000, and 4 billion cubic metres aft???00. Taking into account the gas demand of the petrochemical and building materials industries, by 2000 Vietnam will need around 4 billion cubic metres of gas a year, by 2005 the demand is estimated to increase to 6-7 billion cubic metres and 8-9 billion cubic metres by 2010, according to the master plan.

Of the four projected power plants, Phu My 2 with a capacity of 600mw is now under construction, while a feasibility study for Phu My 1 has been completed. A feasibility study for a complex consisting of the 600-800mw Phu My 3 power plant and a 600,000-tonne-per-year urea fertilizer factory is currently underway. Phu My 3 is scheduled to become operational in 1998 and the urea factory in 1999.

The first gas pipeline in Vietnam, with a capacity of 1.5 billion cubic metres of gas per year, became operational in may 1995. In its first year of operation 200 million cubic metres were pumped from the Bach Ho oilfield to the Ba Ria power plant. Since early this year, the line has provided 1 million cubic metres of gas per day to the plant. Its capacity will be raised to 2 million cubic metres a day in the first half of 1997, and 4 million cubic metres a day in the latter half to supply gas for the phu my 2 power plant when it begins operations.

The prime minister has agreed a feasibility study and bidding for a second pipeline connecting gas deposits in southern Con Son with the power projects in Phu My. The [illegible]00-km pipeline will be able to pipe 6 billion cubic metres of gas a year, and is hoped to start operation by the end of 1998. Petrovietnam stands as the main investor in the project with BP of Britain and Mobil Oil of the USA as joint venture partners.

The master plan also concerns the production of liquefied gas for household use which is still new to Vietnam. At present only ten percent of the population, mostly living in large urban centres such as Hanoi, Ho Chi Minh City, Vung Tau, Dong Nai and Song Be use gas as an energy source. Gas consumption for this purpose was 25,000 tonnes in 1994, 50,000 tonnes in 1995 and is expected to reach 75,000 tonnes in 1996.

The use of gas as an alternative source of energy for industrial production and the service industry will save billions of kwh of electricity every year.

SRV: Funeral Service Held for Nguyen Dinh

BK1307125696 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 5 Jul 96

[FBIS Translated Text] At the funeral house in Tran Thanh Tong Street, Hanoi, a solemn funeral service was held today [5 July] for Comrade Professor Nguyen Dinh Tu, member of the Party Central Committee [PCC] Political Bureau and director of the PCC Science and Education Department and chairman of the Science Council under the Vietnam Nuclear Energy Institute.

From 0730 [Hanoi time], representative delegations began visiting Comrade Nguyen Dinh Tu. Delegations from the PCC, state, National Assembly Standing Committee, government, and Vietnam Fatherland Front [VFF] were led by the following comrades: Party General Secretary Do Muoi; Party Advisers Pham Van Dong and Vo Chi Cong; President Le Duc Anh; National Assembly Chairman Nong Duc Manh; and Prime Minister Vo Van Kiet; in addition, VFF Presidium Chairman Le Quang Dao, a party leader in the fields of science and education, also visited.

During the day, over 200 representative delegations from various agencies, departments, mass organizations, social, science, and cultural organizations, veteran revolutionary cadres, elders, and representatives from Ha Tinh province, and many intellectuals paid tribute to Comrade Nguyen Dinh Tu. Many representatives of diplomatic missions and international organizations also visited.

At 1330 [Hanoi time], the solemn funeral service for Comrade Nguyen Dinh Tu began. Attending the funeral service were the following comrades: Party General Secretary Do Muoi; National Assembly Chairman Nong Duc Manh; Deputy Prime Minister Nguyen Khanh; as well as many comrades from the PCC Political Bureau; the PCC; the National Assembly Standing Committee; the government; many agencies and organizations at central level; there were also representatives of the party committees and administrations of Ha Tinh Province, Hanoi City, and other localities; and a large number of comrades and friends of Comrade Nguyen Dinh Tu.

Expressing his deep condolences, Comrade Le Kha Phieu, PCC Political Bureau Standing Board member and chairman of funeral committee, read the eulogy, which reviewed the activities of Comrade Nguyen Dinh Tu throughout his dedicated life to the science and education undertaking of the fatherland. Whatever position he held, Comrade Nguyen Dinh Tu was always sincere and diligent in his work. He had always had a thorough understanding and carried out all the party lines and policies properly. With his important position and heavy responsibility, Comrade Nguyen Dinh Tu had always maintained the characteristics of a scientist, and had always been enthusiastic in his scientific research. He had many times acted as main researcher in important projects at state level.

Comrade Nguyen Dinh Tu was a sincere, honest, and modest leader who would respect and listen to the opinions of people around him. In the past five years in his capacity as secretary of the PCC and director of the PCC Science and Education Department, he had mobilized and developed the prowess of the intelligentsia, thereby collecting valuable contributions to the planning process for party lines and policies, especially the policies in science and education. He was a leader who truly loved and trusted his associates and knew how to create conditions for his cadres to develop drive and creativity in their work. He lived a simple, ordinary life and always paid good attention to the feelings and aspirations of party members as well as to the public in the sectors and agencies he was responsible for.

After the funeral service, Comrades Nong Duc Manh, Le Kha Phieu and other representatives carried the coffin to the funeral carriage while a military band played a farewell lament. The coffin of Comrade Nguyen Dinh Tu was laid on the carriage with a banner saying: "The Fatherland Acknowledges the Contributions," and the funeral procession moved slowly to his last resting place in Mai Dich Cemetery in Hanoi.

Australia, New Zealand: World Court Ban on Nuclear Weapons Welcomed

BK0907043296 Melbourne Radio Australia in English 0100 GMT 9 Jul 96

[FBIS Transcribed Text] Australia and New Zealand have welcomed the ruling by the World Court that nuclear weapons are effectively illegal under International Law in most circumstances.

New Zealand's prime minister, Jim Bolger, says the decision is a tremendous victory. He says it vindicated New Zealand and other countries that recommended the case be taken to court. Mr. Bolger says the decision will put further pressure on India to sign the Comprehensive Test Ban Treaty.

The court had been asked by the United Nations General Assembly and the World Health Organization to rule on the legality of the use or threat of nuclear weapons.

Australia's ambassador to the Hague, Michael Tate, says the decision could only help moves toward disarmement.

[Begin Tate recording] Well, I think the decision of Australia to appear in this particular proceeding has been vindicated and, in particular, the way in which the court has emphasized the need for nation states now to get on with the business of negotiating in good faith in relation to the elimination of nuclear weapons really does provide a very firm foundation for Australia's action in world forums. Whether it is the Nuclear Nonproliferation Treaty or the Comprehensive Test Ban Treaty, Australia has always been at the forefront of these international negotiations. [end recording]

Australia

Australia: Daily Previews Upcoming APEC Meeting in Christchurch

BK1207062196 Sydney THE AUSTRALIAN FINANCIAL REVIEW in English 12 Jul 96

[Editorial: "APEC Team's Trade Mark" — received via internet]

[FBIS Transcribed Text] The trade ministers of APEC [Asia Pacific Economic Cooperation forum] are flying to Christchurch on Monday for a meeting that could prove crucial for the continued evolution of economic liberalisation. The ministers and their advisers will see the snow-capped peaks of New Zealand's impressive alps as they arrive, and may be excused for pondering that the prospect of scaling the clouded high ground of world trade appears as daunting.

Yet if the World Trade Organisation is to make progress at its meeting in Singapore in December, APEC is the most likely forum to force a breakthrough.

The trade ministers' recommendations will be considered at the next full APEC leaders' meeting at Subic Bay in the Philippines in November, handily ahead of the WTO conference.

And Subic Bay is a helpful symbolic venue, having been converted recently from a U.S. naval base into a special economic zone, the flagship of the Philippines' new push towards prosperity through liberalised trade.

The 18 members of APEC, including Australia's Minister for Trade, Mr. Tim Fischer, will review progress in implementing the Uruguay Round that, under WTO's predecessor, the General Agreement on Tariffs and Trade, was concluded in 1994, and will pursue "unfinished business" in areas such as maritime trade and telecommunications.

More importantly, it will also attempt a common approach towards bringing new activities within the WTO framework, and - especially significant for Australia - towards extending the WTO remit over agriculture.

New Zealand's Minister for Trade, Mr. Philip Burdon, said the aim was to define a "collective ambition" for APEC for the WTO meeting in Singapore. Essentially, it is developed nations that are pushing the extension of the WTO's role into new areas that include foreign investment, competition policy, trade and the environment, and corruption and bribery in government procurement.

One of the most contentious issues being promoted by some of these countries — Australia, with its close links to Asia which buys 60 per cent of its exports, is a wary exception — is a link between trade agreements and the protection of labour standards.

The U.S. is also pursuing limits for tariffs on information technology products, and the European Union wants to accelerate the Uruguay Round reductions of protection against industrial products — though neither is likely to receive sufficient support.

Encouragingly, it appears to be competition policy, absorbing considerable energies in Australia right now, that is most likely to achieve WTO consensus.

As divisions have widened on liberalisation — almost every country on Earth paying the concept lip service, but few agreeing on how the process should be maintained — so the role of APEC has appeared more potentially central for the WTO's success.

For this is the only significant economically driven international body that embraces both developing and developed countries. And it encompasses 45 per cent of all global trade.

If APEC cannot agree on a broadly common approach next week, it is most unlikely to emerge from the meeting in Singapore of the WTO's 120 members.

On a visit to Australia earlier this year, the WTO's director-general, Mr. Renato Ruggiero, applauded the role of APEC, whose "open regionalism" was proving a powerful ally in bedding down the Uruguay Round and advancing into new issues.

He said: "APEC could become a catalytic force for the last phase of world liberalisation." And as long as it maintained its openness, and the current calendar for liberalisation was maintained, regionalism would not prevail over multilateralism.

In return, said Mr. Ruggiero, the WTO helped to make APEC work, providing a broader context and a vehicle for dispute resolution.

If APEC is to progress liberalisation, however, its two biggest members will have to resolve a major difference: the United States' misgivings about China's application to join the WTO. It believes China still has much work to do to open up its markets.

The true value of economic globalisation — which Mr. Ruggiero has rightly described as the major international success story of the post-war period, a process with inbuilt dynamism diminishing differences between all peoples — has yet to be fully realised.

Mr. Fischer and his APEC colleagues now have an important opportunity to nudge the process along.

Canberra Working Steadily Toward Bogor 2010 Objectives

BK1507103296 Melbourne Radio Australia in English 0630 GMT 15 Jul 96

[From the "International Report" program]

[FBIS Transcribed Text] Trade ministers of the Asia-Pacific Economic Cooperation Forum, APEC, have been holding specially convened talks in the New Zealand city of Christchurch to try to reach a consensus on free trade moves with the world trade body, the WTO [World Trade Organization]. APEC has agreed a timetable for free trade within the APEC group, setting 2010 for the developed economies and 10 years later for those less developed. While early indications from the Christchurch meeting suggest that a timetable may be an optimistic expectation the future direction of WTO talks will be central. Australia's trade minister, Tim Fischer, is talking to John Westland.

[Begin recording] [Fischer] Certainly there is a lot of goodwill and unity of purpose to build momentum both within APEC and to the Singapore first ministerial [meeting] of the WTO. In the opening session just finished, it was in fact a closed session but nevertheless let me indicate broadly that most of the countries speaking were committed to getting on with the job, to evaluating what the Uruguay Round [UR] outcome is up to, and to paving the way for future progress with trade liberalisation and with a good deal of determination too. In essence, light a fire, get on with the job.

[Westland] As regards where the Uruguay Round of negotiations that we were up to after the Uruguay Round, what sort of progress do you think has been made? Is there real progress being made towards free trade?

[Fischer] Absolutely and with tangible benefit for countries with win-win situation, for example, Australia and Japan. Eight percent of the Japanese rice market has now been opened and that is a situation where other countries are competing as well but Australia is getting a share of that eight percent opening. It is not a total lost situation for Japan by any means because the rice industry strategically has developed a contact with a Mr. Hashi milling family at Yokohama and that is giving a momentum and jobs in Japan with regard to that particular rice market opening as well as jobs obviously in Australia, but on a broader front, the average manufacturing sector exporter is facing a very much lower wall of tariffs in exporting from Australia as a direct outcome of the UR. There is a lot more to be done but there has been a tangible breakthrough.

[Westland] Within APEC there is still a long way to go though, isn't there, some regionalism within the group has emerged and distortions even within New Zealand and Australia, the trade relations between Australia and New Zealand. Can we meet even our own deadlines?

[Fischer] Look, the question of deadlines and targets which [words indistinct] raised at the outset is very relevant and the concept of those referred too often at this Christchurch conference on the first day and a half is that the business of convergence, meet the deadlines that have been created even with the change of government in Australia, we are able to meet that. We have met a range of other objectives and we are working steadily towards the Bogor 2010 objectives — the most critical one of them all if you like — in the APEC setting.

[Westland] But the protest yesterday in Christchurch, protest at the environment ministers' meeting in Manila last week, and that was over the whole notion of free trade. Does that present you with any concern if there is a real resistance to it in some quarters?

[Fischer] There is an absolute need for the officials and academics and governments to spell out why it is a win-win situation, especially for Australia, as we are a great trading nation historically, we produce far more than we can consume across the board, therefore, we need to trade our products and we need also to import machinery and other things to facilitate our production. We are gaining from that trade approach. [end recording]

Australia: Long-Term Deal With Iraq on Wheat Sales Secured

LD1507121696 Melbourne Radio Australia in English 0700 GMT 15 Jul 96

[FBIS Transcribed Text] The Australian Wheat Board has negotiated a long-term deal with Iraq for the sale of 100,000 tonnes of wheat a month. Chairman of the board, Trevor Flugge, said it was a complicated arrangement involving tenders called by the United Nations.

Australia: Foreign Investment Agreement Signed With Chile

BK0907065396 Melbourne Radio Australia in English 0500 GMT 9 Jul 96

[FBIS Transcribed Text] Australia and Chile have signed an agreement to promote and protect foreign investment. Australia is the fifth largest source of foreign investment in Chile with more than $1 billion held mostly in the mining industry interest. Chile's economy minister, Alvaro Garcia, in Canberra at the signing, says he hopes the agreement will encourage Australian investment in broader areas of the Chilean economy including manufacturing industry and services.

Australia's trade minister, Tim Fischer, says Chile has been a gateway for Australia's large and considerable commercial presence in Latin America. Mr. Fischer says Chile, the only South American nation in APEC, the Asia-Pacific Economic Cooperation Forum, will continue to work closely with Australia to pursue free trade objectives in the Asia-Pacific. Mr. Fischer says the next step in building commercial links between Australia and Chile will be the negotiations on the double taxation agreement.

Canberra Protests to China Over Detention of James Peng

LD1507110696 Melbourne Radio Australia in English 0900 GMT 15 Jul 96

[FBIS Transcribed Text] Australia has again protested to China over the continued detention of Australian businessman James Peng, jailed last year for misappropriation of funds.

Camille Funnell reports that the latest expression of concern over Mr. Peng's case was raised by Environment Minister Robert Hill during a visit to Beijing. Senator Hill says the case of James Peng was one issue he raised during his talks in Beijing. Australia has asked for clemency for Mr. Peng, who was sentenced last September to 18 years jail after being held in detention in southern China for about two years.

The Peng case has been an irritant in Sino-Australian relations ever since Mr. Peng was abducted from Macau in October 1993.

Meanwhile another Australian businessman of Chinese origin is still being held in a detention center in Beijing. The man has been visited monthly by Australian embassy officials and it's expected his case will soon go to trial.

Australia: 'Civilian Casualties' on PNG's Bougainville Island Reported

BK1307111196 Sydney THE SYDNEY MORNING HERALD in English 13 Jul 96

[Report by Greg Roberts — received via Internet]

[FBIS Transcribed Text] As many as 10,000 people have died in seven years of fighting on the island of Bougainville, according to previously unpublished figures compiled by Papua New Guinea [PNG] Government sources.

At the same time, it has been revealed that the PNG Defence Force (PNGDF) has not been required to respond to United Nations allegations of human rights violations, despite an assurance by the Prime Minister, Sir Julius Chan, that the claims are being investigated.

The figures show that 7,640 civilians have died on Bougainville and neighbouring Buka Island since the civil war erupted in early 1989, and 7,070 have been injured. The population of Bougainville is estimated at 170,000.

About 200 troops and police have been killed on Bougainville, along with a similar number of Bougainville Revolutionary Army (BRA) rebels.

As many as 2,000 members of the Resistance — pro-PNG Bougainvillean militias armed and trained by the PNGDF — have also died.

The BRA and members of the Resistance have also been accused of repeated human rights violations.

While the civilian death and injury figures are much higher than would be expected in peacetime, it is not known how many casualties were caused directly by the fighting.

Collection of the figures stopped several weeks ago, before the PNGDF launched its Operation High Speed offensive in a bid to destroy the BRA.

The highest death tolls were reported in Huyono in southern Bougainville (765), Kuraio in the north-west (667) and Tinputz, south-east of Buka Passage (654).

The figures are not official and Port Moresby has not released data on civilian casualties since the crisis began. The PNGDF command centre in Port Moresby declined to comment on civilian casualties.

A report completed in January by a UN official, Mr Bacre Waly N'Diave, lists 75 cases of alleged extrajudicial killings by members of the PNGDF on Bougainville.

He expresses "regret" that there was no reply to the allegations, which were sent to the PNG Government late last year.

The claims cover deaths over three years to October 1995, and include the killings of six children.

Mr N'Diave reported further allegations, including:

— A man tied to a pole on a beach and then burnt alive.

— Five civilians executed in retaliation for the killing of 17 soldiers by the BRA.

— Seven young men tortured to death.

— Four people killed while seeking medical help at government-run care centres, which now shelter more than 70,000.

According to the report, Mr N'Diave "welcomes the government's initiative to investigate the alleged killings perpetrated by the PNGDF" and hoped the suspects would be arrested.

In an interview last week, Sir Julius said investigations were continuing and a reply to the report would be ready before the next meeting of the UN Commission on Human Rights in Geneva next February.

"It would be very hard for me to deny such happenings but those things are subject to proof," he said. "We treat each report seriously and we are looking at each report."

However, the PNGDF Commander, Brigadier-General Jerry Singirok, said he was unaware of the UN allegations and had not been shown Mr N'Diave's report.

"If there are claims we have been involved in human rights abuses, then let's find out," he said. "Ethically and morally, I want to do my job."

A family of four, including two young children, were reported killed yesterday when a mortar hit their house in southern Bougainville.

Australia: Editorial Discourages 'Secret Treaties' Negotiations

BK1507015396 Sydney THE SYDNEY MORNING HERALD in English 15 Jul 96

[Editorial: "No More Secret Treaties" — received via Internet]

[FBIS Transcribed Text] The reforms to Australia's treaty-making procedures made by the Howard Government remove some but not all of the objectionable features that dominated the process in the past. A worthwhile start has been made. But more needs to be done. The High Court has estimated that Australia has signed more than 900 treaties. The virtual impossibility of placing an exact number on our treaty commitments is an obvious sign of the careless, secretive and reckless behaviour in the past of signing treaties in myriad international forums and then not bothering to inform the Federal Parliament — the representative of the nation — what these treaty commitments involve.

The danger of this approach has been inflamed by the use (or, in some instances, the misuse) of these treaties by interest groups to develop administrative and social "rights" that serve their industry rather than the good of the nation. These groups have been encouraged by the High Court, especially with its Teoh decision, which has established the law that treaties ratified by the Government must be taken into account in administrative decision-making. This ruling applies even if the treaties have not been enacted into domestic law by the Parliament. Legislation overruling the Teoh decision is needed.

The former Governor-General and former judge of the High Court Sir Ninian Stephens has talked about "the democratic deficit" in the treaty-making process. And a present High Court judge, Justice Michael Kirby, argues that governments must allow public scrutiny of international treaties before they are signed, to stop an isolationist backlash from the public.

Under the process put forward by the Howard Government, sensitive treaties (such as the treaty with Indonesia) will still be able to be negotiated in secret. But once the agreement is reached, the treaty will have to be brought before the Federal Parliament for inspection and debate. This is less open than it seems. There is no allowance, unfortunately, in the statements by the Foreign Minister, Mr Downer, for advance consultation and public discussion of treaties in the early stages of negotiations. The national interest analysis (NIA) giving reasons why Australia has become a party to the treaty only needs to be produced after the treaty has been signed, which may be too late in some cases.

Australia: Price for Government Stake in Commonwealth Bank Announced

BK1307110696 Melbourne Radio Australia in English 0500 GMT 13 Jul 96

[FBIS Transcribed Text] The Australian Government has announced the final share price in its multi-billion-dollar sale of the Commonwealth Bank. Fiona Heleran says the government is selling its remaining 50.4 percent stake in the financial institution. She is using Australian dollars in her report.

[Begin Heleran recording] In Sydney, Finance Minister John Fahey announced the details of what he described as a biggest public shares offer in Australia's history. Under the government's installment plan, $6 have been paid up front for the shares and subscribers must make the final payment of $4.45 by November next year. Mr. Fahey says, based on the final share price, the government will collect more than $4 billion from the public share offer but taken into account the bank's buy-back scheme of 100 million shares more than (?$5 billion) will be raised from the sale of the Commonwealth Bank. The shares will be traded on the Australian Stock Exchange on Monday. [end recording]

New Zealand

New Zealand: ICJ Advisory Opinion on Legality of Nuclear Threat Viewed

BK1307114196 Christchurch THE PRESS in English 11 Jul 96

[Editorial: "The World Court Decision" — received via Internet]

[FBIS Transcribed Text] The international implications of the advisory opinion given by the International Court of Justice [ICJ] on the legality of the threat or use of nuclear weapons will take a long time to work themselves out. Most optimistically, the finding might mean that the thrust towards nuclear disarmament will be given a boost, that world opinion will harden against nuclear weapons, and that any country planning to acquire nuclear weapons will be aware that it would be doing so in the face of world condemnation. Those who believe that this will be the result will be heartened by the World Court's unanimous statement: "There exists an obligation to pursue in good faith and bring to a conclusion negotiations leading to nuclear disarmament in all its aspects under strict and effective international control."

That statement may have as much influence in the long term as anything else that the World Court said. The process by which it gave its opinion was interesting. It had rejected the application from the World Health Organisation [WHO] for an advisory opinion on the ground that the issue lay outside the WHO's "scope of activities". It might have been expected that the World Court would continue to dodge the issue. That proved not to be the case. In retrospect the argument for dismissing the WHO case could clearly not apply to the General Assembly of the United Nations, which had also made an application to the World Court for an advisory opinion. So the World Court had either to make a ruling, or to find other grounds not to consider the case. It chose not to dodge the issue and made two decisions, the content of which cannot fail to be important, though added impetus towards nuclear disarmament may be among the greatest long-term benefits.

The first part of the main judgment has been hailed as advancing significantly the anti-nuclear cause. It says that "the threat or use of nuclear weapons would generally be contrary to the rules of international law applicable in armed co?flict, and in particular the principles and rules of humanitarian law." Considering the general caution of great lawyers,?that is a firm statement. The second part of the key ruling was really an exception to the first. It says: "However, in view of the current state of international law, and of the elements of fact at its disposal, the Court cannot conclude definitively whether the threat or use of nuclear weapons would be lawful or unlawful in an extreme circumstance of self-defence, in which the very survival of a State would be at stake."

The vote on the two parts of the judgment was split seven votes to seven, and the Court president's vote decided the issue. The split was complicated because some of the World Court judges were against the principle of legality, and others voted against the ruling because they did not think that it went far enough in declaring nuclear weapons illegal. As far as the opinion goes, it does not matter on what ground the split occurred, but it is of interest in determining where sympathies lay. Several points need to be weighed. The International Court of Justice gave an advisory opinion: countries might be influenced, but not bound, by it. The Court gave an opinion on the "threat" and use of nuclear weapons, but did not define what was meant by threat.

Does the very possession of nuclear weapons constitute a threat? Are nuclear-armed vessels on constant patrol a threat? The Court was not asked to rule and did not rule on the possession of nuclear weapons.

On the face of it, the Court's opinion on the use of weapons in armed conflict might have been expected, because various other weapons have been found inhumane or otherwise unacceptable. Nuclear weapons with their terrible destructive power, their inability to discriminate between soldier and civilian, and their capacity to affect humans and land for generations, well qualify as unacceptable weapons. The advisory opinion notes the characteristics of nuclear weapons: "The destructive power of nuclear weapons cannot be contained in either space or time. They have the potential to destroy all civilisation and the entire ecosystem of the planet."

Some commentators on the advisory opinion have argued that it rules out the first use of nuclear weapons. It will take some time before that can be decided with certainty. The "very survival of a State" exception on which the Court would not rule brings uncertainty. Would a State which believed itself about to be wiped off the planet by an attack need any other justification for a first strike? Possibly the World Court opinion does rule out the use of battlefield nuclear weapons, though that too will be one of the subjects debated during the coming weeks and years.

Taking the case to the World Court was always a risk. In the end the New Zealand Government made a formidable submission to the Court. The dedication of the Christchurch group who did so much to get it there, including the work of Harold Evans, could be admired unreservedly, though its wisdom doubted. It seemed a no-win situation. It would have been disastrous for the world had the World Court ruled that nuclear weapons were legal. A blanket opinion that they were illegal might have alienated several important countries from the World Court, with serious consequences for world legal order.

As it is, the World Court decision might not cause extreme behaviour by any country. With luck it might further the cause of nuclear disarmament, though the United States, which has already cut deep into its nuclear stockpiles, is likely to look for mutual and balanced reduction rather than decide to act unilaterally. If a less optimistic cast is put on the outcome of the World Court decision, countries now armed with nuclear weapons might increase their conventional arms and beef up their armies as they seek to feel secure against larger countries. Perhaps to consider that scenario is too pessimistic after a decision that at least goes some distance towards a world acknowledgement that nucl
weapons should not be used.

New Zealand: Fischer Says Food Accord To Remove Cost to Industry

BK1407121396 Melbourne Radio Australia in English 1100 GMT 14 Jul 96

[FBIS Transcribed Text] The Australian deputy pri
minister, Tim Fischer, says a food agreement betw
Australia and New Zealand will remove signific
cost to industry in both countries. Mr. Fischer, w
is also Australia's trade minister, is in Christchu
with the meeting of APEC [Asia-Pacific Econo
Cooperation] trade ministers. He was referring to
agreement between Australia and New Zealand
remove barriers to trade in food between the
countries from 1 January next year. It was formali
today by Mr. Fischer and New Zealand's minister
trade negotiations, Philip Burdon. The agreement
described by Mr. Fischer as a logical and welcome
forward in the developing relationship between the
countries under the Closer Economic Relations Acc
However, he emphasized that customs and (?sanct
would continue for food under risk-classification w
health and safety was involved such as some impo
shellfish which could be contaminated.

New Zealand: Cabinet Ministers Pull Out of Sri Lankan Tamil Meeting

BK1207035196 Hong Kong AFP in English 0309 GMT 12 Jul 96

[FBIS Transcribed Text] WELLINGTON, July
(AFP) — Two New Zealand cabinet ministers
pulled out of a Tamil conference here on the advi
Foreign Affairs Minister Don McKinnon.

A spokeswoman for McKinnon said the advice
been issued because of "the level of dissension i
New Zealand Sri Lankan community" over issues i
South Asian island, where ethnic Tamil separatist
waging a guerrilla campaign.

Opposition leader Helen Clark has also been ad
not to take part.

Clark, Immigration Minister Roger Maxwell and
nal Affairs Minister Peter Dunne had all earlier acc
invitations to speak at the conference.

An organisation called the United Sri Lanka Assoc
wrote to Maxwell last week asking the MPs
attend, saying the conference was "a poorly disg
attempt at helping in the relocation of the interna
Tamil Tiger terrorist movement".

But conference spokesman Rama Ramanathan said the government was buckling under pressure from Sri Lanka's embassy in Canberra, which also covers New Zealand.

The conference was to correct misconceptions about Tamils and to celebrate their culture in New Zealand, Ramanathan said, denying the organisers had any support for the Liberation Tigers of Tamil Eelam guerrilla movement.

"We do not support the Tamil Tigers. We don't take sides on this," he said. "It's an insult to us by the New Zealand government.

New Zealand: McKinnon, Vietnamese Foreign Minister Hold Talks

LD0907101596 Melbourne Radio Australia in English 0900 GMT 9 Jul 96

[FBIS Transcribed Text] Vietnam's Foreign Minister Nguyen Manh Cam has held talks on bilateral, regional, and trade-related issues with his New Zealand counterpart, Don McKinnon. Speaking during a visit to New Zealand's capital, Wellington, Mr. Cam said he hoped New Zealand would provide help to Vietnam in forestry, agriculture, communications, environmental protection, and transport. He said the two countries have already developed strong links in education and training.

Papua New Guinea

Papua New Guinea: Rebels Claim 'Significant Military Victory' in Bougainville

LD1507101096 Melbourne Radio Australia in English 0900 GMT 15 Jul 96

[FBIS Transcribed Text] There's been a major setback to a Papua New Guinea Defense Force [PNGDF] operation against separatist rebels on the island of Bougainville. The defense force is abandoning a beachhead established only last week at Aropa, the island's former international airport.

Sean Dorney reports that it amounts to a significant military victory for the rebels:

[Dorney] At the weekend the Bougainville Revolutionary Army's military commander Sam Kauona claimed his rebel forces were inflicting heavy damage on PNG naval craft using old Japanese World War II anti-aircraft guns, and that his men had driven the PNG troops out of the ruined brick airport terminal building back towards the beach.

I understand a company of troops from Papua New Guinea's 1st Battalion, that went ashore last week, are retreating, giving up the beachhead. It was to have been the base from which the PNG military began a thrust into the mountains to flush out the rebel leaders, but it's being abandoned.

Papua New Guinea: Envoy Hopeful Over Chances of Bougainville Settlement

LD1507122796 Melbourne Radio Australia in English 0700 GMT 15 Jul 96

[FBIS Transcribed Text] A special Solomon Islands envoy has reported progress in efforts to help end the secessionist conflict on the Papua New Guinea island of Bougainville. Francis Saemala [chairman of the parliamentary foreign affairs committee] who has visiting several countries in the region for talks on the Bougainville crisis, says he has had useful talks with Australia and Vanuatu. Erinna Reddan reports:

[Reddan] Mr. Saemala says his country's first priority is to urge and encourage Papua New Guinea and the Bougainville secessionists to restart negotiations. He says both Australia and Vanuatu have indicated their support for Solomon Islands' efforts.

Relations between Solomon Islands and Papua New Guinea are strained, with each side blaming the other for shooting exchanges at the border, while Papua New Guinea accuses [the] Solomons of colluding with the rebels. However Mr. Saemala says he remains optimistic that a solution to the crisis will be reached.

[Begin Saemala recording] I can have hope that something would be worked out, which approaches a peace plan, that could be put in place for lasting peace at the border. [end recording]

[Reddan] Mr. Saemala is planning to travel on to New Zealand and Fiji.

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